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LEGISLATIVE HISTORY

Public Law 273--78th Congress

Chapter 146--2d Session

S. 250

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DIGEST OF PUBLIC LAW 273

SUSTAINED-YIELD FOREST MANAGEMENT. Authorizes Agriculture and Interior with respect to Federal and nearby private lands, to (1) establish co-operative sustained-yield units of forest lands, (2) enter into agreements with landowners for management of their land in accordance with the Departments' requirements, in consideration of privileges on Government lands, and (3) establish sustained-yield units of Federal land to maintain dependent communities.

INDEX AND SUMMARY OF HISTORY ON S. 250

January 11, 1943	S. 250 introduced by Senator McNary and referred to the Senate Committee on Agriculture and Forestry. Print of the bill as introduced.
February 1, 1943	H. R. 1621 introduced by Rep. Stockman and referred to the House Committee on Agriculture. Print of the bill as introduced. (Companion bill).
June 26, 1943	S. 250 reported by Senate Committee with an amendment. Senate Report 359. Print of the bill as reported.
July 3, 1943	Passed over in Senate at the request of Senator Revercomb.
July 8, 1943	Discussed in Senate and passed as reported.
September 17, 1943	S. 240 referred to the House Agriculture Committee. Print of the bill as referred.
December 3, 1943	Hearings: House, S. 250.
December 16, 1943	House Committee reported S. 250 with amendments. House Report 960. Print of the bill as reported.
February 23, 1944	Discussed in the House and passed over.
March 21, 1944	Passed House with amendments.
March 22, 1944	Senate concurred in House amendments.
March 29, 1944	Approved. Public Law 273.

78TH CONGRESS
1ST SESSION

S. 250

IN THE SENATE OF THE UNITED STATES

JANUARY 11, 1943

Mr. McNARY introduced the following bill; which was read twice and referred to the Committee on Agriculture and Forestry

A BILL

To promote sustained-yield forest management in order thereby (a) to stabilize communities, forest industries, employment, and taxable forest wealth; (b) to assure a continuous and ample supply of forest products; and (c) to secure the benefits of forests in regulation of water supply and stream flow, prevention of soil erosion, amelioration of climate, and preservation of wildlife.

- 1 *Be it enacted by the Senate and House of Representa-*
- 2 *tives of the United States of America in Congress assembled,*
- 3 *That to promote the stability of forest-using industries, em-*
- 4 *ployment, and communities through continuous supplies of*
- 5 *timber, the Secretary of Agriculture and the Secretary of the*
- 6 *Interior are authorized, when they deem such action in the*

1 public interest, to make cooperative agreements with other
2 willing landowners for the coordinated management, includ-
3 ing but not limited to time, rate, and method of cutting of
4 timber and forest growth on sustained-yield units located
5 wholly or partly within forest lands owned or controlled by
6 the Federal Government: *Provided*, That the Secretary of
7 Agriculture shall have jurisdiction over Department of Agri-
8 culture lands and the Secretary of the Interior shall have
9 jurisdiction of Department of the Interior lands. The Secre-
10 tary of Agriculture and the Secretary of the Interior are fur-
11 ther authorized to determine, define, and declare formally the
12 establishment of sustained-yield units comprising the land
13 areas covered by such cooperative agreements, and such other
14 lands as may reasonably be expected to be later included
15 under such agreements. In each such cooperative agreement
16 the private or public owner concerned shall agree in consid-
17 eration (1) of the assured privilege of purchasing Govern-
18 ment-owned or controlled timber or other products within the
19 unit concerned pursuant to this section, or (2) of the bene-
20 fits to be obtained by having the owner's lands managed
21 for sustained yield as a part of the unit involved, or of
22 both such privilege and benefit, to limit their cut to the
23 productive capacity of the lands involved as determined by
24 the contracting parties and approved by the respective Secre-
25 tary, and to otherwise comply with the other conditions and

1 requirements of such cooperative agreement. Each coopera-
2 tive agreement entered into hereunder shall also expressly
3 provide that any privilege, benefit, or control conferred by its
4 terms shall not extend beyond the period the agreement
5 remains in full force and effect, and shall prescribe terms
6 and conditions under which the owner may sell timber or
7 timber lands from said owner's properties, within the unit
8 involved to any other person; and shall require that each
9 contract of sale of timber or timber lands made by the owner
10 or the respective Secretary shall obligate the purchaser to
11 comply with such conditions and requirements; and the
12 owner or the Secretary of the Department concerned may
13 take appropriate action to secure such compliance.

14 SEC. 2. That the Secretary of Agriculture or the Secre-
15 tary of the Interior shall cause each cooperative agreement
16 entered into under authority of this section to be placed on
17 record in the county or counties in which the lands of other
18 ownership described therein are located, and he is authorized
19 to pay the cost incident to such recordation out of any avail-
20 able funds appropriated for the activities of the responsible
21 bureau or division.

22 SEC. 3. That, during the period any such cooperative
23 agreement is in effect, timber on land owned or controlled
24 by the Government in the unit concerned, which the respec-
25 tive Secretary determines should be cut under sustained-yield

1 management for that unit, may from time to time be sold at
2 not less than its appraised value as approved by the respec-
3 tive Secretary, due consideration being given to existing
4 forest conditions, on all lands included therein; the respective
5 Secretary is authorized in his discretion to reject any bids
6 which may interfere with the sustained-yield management
7 plan for the unit. The sale agreement may provide for
8 periodic readjustments of stumpage rates in such manner and
9 at such periods as the respective Secretary shall prescribe
10 and shall contain such other provisions as are necessary
11 effectually to permit the respective Secretary to carry out
12 the purposes of this section and in other ways afford adequate
13 protection to the public interests involved.

14 SEC. 4. That whenever, in the judgment of the Secre-
15 tary of Agriculture or of the Secretary of the Interior, the
16 maintenance of stable communities in areas where only tim-
17 ber owned or controlled by the Government is involved can-
18 not effectively be secured by applying the usual policy and
19 procedure in making sales of such timber, the respective Sec-
20 retary may, in his discretion, determine, define, and formally
21 declare such areas as sustained-yield units for the mainte-
22 nance of stable communities and, subject to such conditions
23 and requirements as he deems necessary, sell such govern-
24 ment-owned timber from time to time to responsible pur-

1 chasers already established, or to be established, at not less
2 than its appraised value without competitive bidding.

3 SEC. 5. That before the establishment of any sustained-
4 yield forest unit shall formally be declared and before any
5 cooperative agreement or sale agreement made without com-
6 petition shall be entered into under the provisions of this
7 section, advance notice thereof shall be given for not less than
8 thirty days by publication in one or more newspapers of
9 general circulation, in the State where the timber is located,
10 and one or more newspapers of general circulation in the
11 county where such land is located.

12 SEC. 6. That the respective Secretary shall prescribe
13 such rules and regulations on Government owned or con-
14 trolled lands under his jurisdiction as in his judgment are
15 necessary for carrying out the purposes of this section and
16 for the protection of the public interests involved.

A BILL

To promote sustained-yield forest management in order thereby (a) to stabilize communities, forest industries, employment, and taxable forest wealth; (b) to assure a continuous and ample supply of forest products; and (c) to secure the benefits of forests in regulation of water supply and stream flow, prevention of soil erosion, amelioration of climate, and preservation of wildlife.

By Mr. McNARY

JANUARY 11, 1943

Read twice and referred to the Committee on
Agriculture and Forestry

78TH CONGRESS
1ST SESSION

H. R. 1621

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 1, 1943

Mr. STOCKMAN introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To promote sustained-yield forest management in order thereby
(a) to stabilize communities, forest industries, employment,
and taxable forest wealth; (b) to assure a continuous and
ample supply of forest products; and (c) to secure the bene-
fits of forests in regulation of water supply and stream flow,
prevention of soil erosion, amelioration of climate, and
preservation of wildlife.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That to promote the stability of forest-using industries, em-
4 ployment, and communities through continuous supplies of
5 timber, the Secretary of Agriculture and the Secretary of the
6 Interior are authorized, when they deem such action in the

1 public interest, to make cooperative agreements with other
2 willing landowners for the coordinated management, includ-
3 ing but not limited to time, rate, and method of cutting of
4 timber and forest growth on sustained-yield units located
5 wholly or partly within forest lands owned or controlled by
6 the Federal Government: *Provided*, That the Secretary of
7 Agriculture shall have jurisdiction over Department of Agri-
8 culture lands and the Secretary of the Interior shall have
9 jurisdiction of Department of the Interior lands. The Secre-
10 tary of Agriculture and the Secretary of the Interior are fur-
11 ther authorized to determine, define, and declare formally the
12 establishment of sustained-yield units comprising the land
13 areas covered by such cooperative agreements, and such other
14 lands as may reasonably be expected to be later included
15 under such agreements. In each such cooperative agreement
16 the private or public owner concerned shall agree in consid-
17 eration (1) of the assured privilege of purchasing Govern-
18 ment owned or controlled timber or other products within the
19 unit concerned pursuant to this section, or (2) of the bene-
20 fits to be obtained by having the owner's lands managed
21 for sustained yield as a part of the unit involved, or of
22 both such privilege and benefit, to limit their cut to the
23 productive capacity of the lands involved as determined by
24 the contracting parties and approved by the respective Secre-
25 tary, and to otherwise comply with the other conditions and

1 requirements of such cooperative agreement. Each coopera-
2 tive agreement entered into hereunder shall also expressly
3 provide that any privilege, benefit, or control conferred by its
4 terms shall not extend beyond the period the agreement
5 remains in full force and effect, and shall prescribe terms
6 and conditions under which the owner may sell timber or
7 timber lands from said owner's properties, within the unit
8 involved to any other person; and shall require that each
9 contract of sale of timber or timber lands made by the owner
10 or the respective Secretary shall obligate the purchaser to
11 comply with such conditions and requirements; and the
12 owner or the Secretary of the Department concerned may
13 take appropriate action to secure such compliance.

14 SEC. 2. That the Secretary of Agriculture or the Secre-
15 tary of the Interior shall cause each cooperative agreement
16 entered into under authority of this section to be placed on
17 record in the county or counties in which the lands of other
18 ownership described therein are located, and he is authorized
19 to pay the cost incident to such recordation out of any avail-
20 able funds appropriated for the activities of the responsible
21 bureau or division.

22 SEC. 3. That, during the period any such cooperative
23 agreement is in effect, timber on land owned or controlled
24 by the Government in the unit concerned, which the respec-
25 tive Secretary determines should be cut under sustained-yield

1 management for that unit, may from time to time be sold at
2 not less than its appraised value as approved by the respec-
3 tive Secretary, due consideration being given to existing
4 forest conditions, on all lands included therein; the respective
5 Secretary is authorized in his discretion to reject any bids
6 which may interfere with the sustained-yield management
7 plan for the unit. The sale agreement may provide for
8 periodic readjustments of stumpage rates in such manner and
9 at such periods as the respective Secretary shall prescribe
10 and shall contain such other provisions as are necessary
11 effectually to permit the respective Secretary to carry out
12 the purposes of this section and in other ways afford adequate
13 protection to the public interests involved.

14 SEC. 4. That whenever, in the judgment of the Secre-
15 tary of Agriculture or of the Secretary of the Interior, the
16 maintenance of stable communities in areas where only tim-
17 ber owned or controlled by the Government is involved can-
18 not effectively be secured by applying the usual policy and
19 procedure in making sales of such timber, the respective Sec-
20 retary may, in his discretion, determine, define, and formally
21 declare such areas as sustained-yield units for the mainte-
22 nance of stable communities and, subject to such conditions
23 and requirements as he deems necessary, sell such Govern-
24 ment-owned timber from time to time to responsible pur-

1 chasers already established, or to be established, at not less
2 than its appraised value without competitive bidding.

3 SEC. 5. That before the establishment of any sustained-
4 yield forest unit shall formally be declared and before any
5 cooperative agreement or sale agreement made without com-
6 petition shall be entered into under the provisions of this
7 section, advance notice thereof shall be given for not less than
8 thirty days by publication in one or more newspapers of
9 general circulation, in the State where the timber is located,
10 and one or more newspapers of general circulation in the
11 county where such land is located.

12 SEC. 6. That the respective Secretary shall prescribe
13 such rules and regulations on Government owned or con-
14 trolled lands under his jurisdiction as in his judgment are
15 necessary for carrying out the purposes of this section and
16 for the protection of the public interests involved.

A BILL

To promote sustained-yield forest management in order thereby (a) to stabilize communities, forest industries, employment, and taxable forest wealth; (b) to assure a continuous and ample supply of forest products; and (c) to secure the benefits of forests in regulation of water supply and stream flow, prevention of soil erosion, amelioration of climate, and preservation of wildlife.

By Mr. STOCKMAN

FEBRUARY 1, 1943

Referred to the Committee on Agriculture

percent of parity is all that wheat farmers should have, although relatively the cost of producing corn is much less than the cost of producing wheat in relation to parity prices. Rightfully we expect the wheat Senators to make a fight to enable wheat producers to collect full parity price. We also expect the statesmanship of the Senators who are not from the wheat States to accord treatment to wheat producers which would give them a price and income comparable to cotton, corn, rice, and tobacco. The position of the United States Senate in all fairness to wheat producers would be that the Senate would not concur in the House language as regards the use of \$400,000,000 by the Agricultural Adjustment Administration next year which earmarks soil-conservation funds only for "soil-building and water-conservation practices." Such a restriction excludes proper price consideration and income to the wheat producers. Specifically the Senate, by debate and by language in the appropriations bill now under consideration, must make certain that the wheat farmers will not only receive the benefit of an 85-percent loan, but that agricultural conservation program payments may be made out of the \$400,000,000, and that the balance to bring wheat prices to parity shall be supported by authorization for appropriations to continue parity payments next year. The regional cooperative grain-marketing organizations which are members of the National Federation of Grain Cooperatives maintain headquarters at the following marketing places: Indianapolis, Ind.; Amarillo, Tex.; Enid, Okla.; Hutchinson, Kans.; Kansas City, Mo.; Omaha, Neb.; Denver, Colo.; Ogden, Utah; Portland, Oreg.; Spokane, Wash.; Great Falls, Mont.; the twin ports of Duluth and Superior at the head of the Great Lakes; and the twin cities of Minneapolis and St. Paul. Repeating we seldom raise our voice on matters before Congress, but we do speak out of long-time experience in the field of the production and distribution and sale of grain and feed products, and we feel strongly the responsibility of representing more wheat producers than all general farm organizations combined. We are pressing to secure approximately 23 cents a bushel for the wheat producer, who is now producing more than ever without time and one-half for overtime and double time for Sundays. We do not ask for more than parity. This is what the 1938 Farm Act calls for. The wheat farmers have a right to expect parity. Because of their confidence in the good faith of Congress in enacting the 1938 Farm Act, Congress should either sustain this faith or rewrite this fundamental farm legislation to state whatever it determines ought to be a fair price.

Respectfully yours,
M. W. THATCHER,
President, National Federation
of Grain Cooperatives.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McNARY, from the Committee on Agriculture and Forestry:

S. 250. A bill to promote sustained-yield forest management in order thereby (a) to stabilize communities, forest industries, employment, and taxable forest wealth; (b) to assure a continuous and ample supply of forest products; and (c) to secure the benefits of forests in regulation of water supply and stream flow, prevention of soil erosion, amelioration of climate, and preservation of wildlife; with an amendment (Rept. No. 359).

By Mr. SCRUGHAM, from the Committee on Post Offices and Post Roads:

S. Res. 161. Resolution authorizing an investigation with respect to the construction and maintenance of Federal-aid highways, including allocation of materials, equipment, and manpower; without amendment; and,

under the rule, the resolution was referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

ENROLLED BILL PRESENTED

Mrs. CARAWAY, from the Committee on Enrolled Bills, reported that on June 25, 1943, that committee presented to the President of the United States the enrolled bill (S. 219) to equalize certain disability benefits for Army officers.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. TUNNELL:

S. 1273. A bill conferring jurisdiction upon the District Court for the district of Delaware to hear, determine, and render judgment upon certain claims of residents of St. Georges, Del.; to the Committee on Claims.

By Mr. McKELLAR:

S. 1274. A bill for the relief of Vodie Jackson; to the Committee on Claims.

By Mr. DOWNEY:

S. 1275. A bill to amend further the Civil Service Retirement Act, approved May 29, 1930, as amended; to the Committee on Civil Service.

S. 1276. A bill granting an increase of pension to Nathan Long; to the Committee on Pensions.

By Mr. THOMAS of Utah:

S. 1277. A bill to extend the benefits of the United States Employees' Compensation Act to certain persons, and for other purposes; to the Committee on Education and Labor.

AMENDMENT TO SECOND DEFICIENCY APPROPRIATION BILL

Mr. OVERTON submitted an amendment intended to be proposed by him to House bill 3030, the second deficiency appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 10, after line 23, to insert the following:

"WAR DEPARTMENT—CIVIL FUNCTIONS

"CORPS OF ENGINEERS—RIVERS AND HARBORS

"For the preservation and maintenance of existing river and harbor works, and for the prosecution of projects heretofore authorized, including the objects and purposes and subject to the conditions specified under this head in the War Department Civil Appropriation Act, 1944, to be available until expended, \$7,095,000."

VIEWS OF SENATOR VANDENBERG ON SMITH-CONNALLY BILL

Mr. VANDENBERG. Mr. President, I have received numerous letters from Michigan regarding the Smith-Connally bill, which, under the pressure of time, I have been unable to answer, but I presented my view of the situation in a letter to one of my labor union friends in Michigan, which is sufficiently typical so that I should like very much to have it printed at this point in the RECORD, if I may have unanimous consent.

The VICE PRESIDENT. Is there objection?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MY DEAR MR. —: I greatly appreciate the open-minded spirit in which you have written me about the so-called Connally-Smith bill. I am indebted to you for your friendly candor; let me be equally frank in my reply.

In my humble opinion, the rank and file of organized labor has often been misled re-

garding this so-called antilabor bill. The bill has just one purpose, namely, to prevent interruptions in the production of war goods necessary to sustain our sons at the fighting front. Whatever may be the political consequences (to which you refer) of supporting such an objective, let the chips fall where they may. What happens to me politically is of no moment to me or to the country, but what happens to our fighting sons is of vital concern to us all.

Organized labor made a magnificent no-strike pledge after Pearl Harbor. A vast majority of organized labor has faithfully kept this pledge—to its everlasting credit. Unfortunately, however, there have been, and still are, serious crippling exceptions to this rule. The so-called antistrike bill will not affect adversely any labor union which keeps this pledge. It will affect only those who break this pledge. I confess that it seems to me those who keep their pledge should be the very first to welcome any efforts by the Government to prevent a small minority from breaking their pledge. It is no reflection on the former that we find it necessary to discipline the latter. Only a small percentage of our people ever break any of our laws, but they do not object—on the contrary, they are the chief supporters—when laws are passed to control crime. We need no laws at all to protect the great law-abiding majority. It is in their defense that they insist upon laws to curb lawbreaking minorities. In my view, the great labor-union majority will immensely benefit when the law assists in protecting it against these small minorities which, however unjustified, threaten the reputé of all organized labor.

This bill, by its own terms, expires when the war is over. It is exclusively a war measure. With great care and specific reference, it protects every collateral right of labor under the Wagner Act, the Wages and Hours Act, etc. It particularly protects every individual member of a union. The President himself has said that he objects seriously only to section 8, which, in the final analysis, guarantees to each individual member of a union the right to vote whether his plant shall be struck or not. It seems to me that is the very essence of democracy.

In my opinion, this bill is necessary to the war effort—and, if I may say so, to the long-range welfare of labor itself. In my view, it is necessary to the earliest possible victory with the least possible casualties. Frankly, I shall always put that objective ahead of all others, and I am certain that I do not offend labor's great rank and file when I do.

An unauthorized strike in Texas last week cost an oil production sufficient to carry 1,000 bombers into Germany. I do not believe that the great rank and file of labor has any remote sympathy with that sort of a contribution to the Axis. I certainly do not believe that the prevention of such a tragedy has any adverse effect upon the rights of labor unions in the United States—quite the contrary. Yes; this is an exception to the rule. The general labor record and the mass labor attitude is magnificent. But, in my humble opinion, that is all the more reason why labor itself should welcome any reasonable proposals devoted exclusively to the prevention of exceptions to the rule.

In many particulars this bill is far from satisfactory to me. But its assets—to the public welfare, to victory in this war, and to labor's own enlightened self-interest—far outweigh its liabilities, as I view it. The bill has been sustained by overwhelming majorities in both House and Senate—including the votes of many whom labor would readily identify as among its best friends. I submit that labor would do well to ponder this significant fact. In any event, if I have lost the labor vote on this account, as you suggest, I am at least at peace with my own conscience and with my sense of loyalty to our fighting sons.

I have wanted to make this complete statement to you so that you may know that I have been moved by a profound conviction in making this difficult decision.

With warm personal regards and best wishes,

Cordially and faithfully yours,
A. H. VANDENBERG.

**AMERICAN NATIONALISM—ADDRESS BY
SENATOR REYNOLDS**

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD a radio address on the subject of American Nationalism, delivered by him on June 25, 1943, and the introductory remarks of the station announcer, which appear in the Appendix.]

**TRIBUTE TO LOUIS D. BRANDEIS—
ADDRESS BY SENATOR LUCAS**

[Mr. HILL asked and obtained leave to have printed in the RECORD an address in tribute to the late Louis D. Brandeis, delivered by Senator Lucas before the Memorial Association of Chicago, on June 24, 1943, which appears in the Appendix.]

**ADDRESS BY GOVERNOR GRISWOLD OF
NEBRASKA AT GOVERNORS' CONFER-
ENCE, COLUMBUS, OHIO.**

[Mr. BALL asked and obtained leave to have printed in the RECORD the address delivered by Gov. Dwight Griswold of Nebraska at the Governors' Conference, Columbus, Ohio, June 22, 1943, which appears in the Appendix.]

**TRANSPORTATION OF TROOPS, ETC.—
ADDRESS BY COL. K. W. THOM**

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD an address by Col. K. W. Thom, of the Port Transportation Division, New York Port of Embarkation, which appears in the Appendix.]

**ADDRESS BY JOHN A. REILLY, PRESIDENT
OF THE DISTRICT OF COLUMBIA BANK-
ERS ASSOCIATION**

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD an address delivered by John A. Reilly, president of the District of Columbia Bankers Association, at the twenty-fifth annual meeting of the association, on June 4, 1943, which appears in the Appendix.]

**OPENING OF SYNTHETIC RUBBER PLANT
IN WEST VIRGINIA—ARTICLE BY ROGER
WILLIAM RIIS**

[Mr. KILGORE asked and obtained leave to have printed in the RECORD an article by Roger William Riis, entitled "Rubber—Its Coming at Last," published in the Reader's Digest for July 1943, which appears in the Appendix.]

**INTERNATIONAL INVESTMENTS—LETTER
FROM WILLIAM J. GOODWIN**

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD a letter addressed to him by William J. Goodwin, of New York City, regarding international investments, which appears in the Appendix.]

**THE FOUR FREEDOMS FLAG—ARTICLE BY
GEORGE E. SOKOLSKY**

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD an article entitled "The Four Freedoms Flag," by George E. Sokolsky, published in the New York Sun of June 21, 1943, which appears in the Appendix.]

**MR. LEWIS AND CONGRESS—ARTICLE BY
WALTER LIPPMANN**

[Mr. MURRAY asked and obtained leave to have printed in the RECORD an article entitled "Mr. Lewis and Congress," by Walter Lippmann, from the Washington Post of Thursday, June 24, 1943, which appears in the Appendix.]

**CONTINUATION OF COMMODITY CREDIT
CORPORATION**

The Senate resumed the consideration of the bill (S. 1108) to continue Commodity Credit Corporation as an agency of the United States, increase its borrowing power, revise the basis of the annual appraisal of its assets, and to provide for an audit by the General Accounting Office of the financial transactions of the Corporation, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Missouri [Mr. CLARK], as modified, to perfect the committee amendment, inserting section 5, on which the yeas and nays have been ordered.

The Chair calls attention to the unanimous-consent order providing for a vote on the amendment as modified at not later than 1 o'clock today, and for a division of the intervening time between the proponents and opponents, to be controlled respectively by the Senator from Missouri [Mr. CLARK] and the Senator from Alabama [Mr. BANKHEAD].

Mr. CLARK of Missouri. Mr. President, I yield such time as he may desire to the Senator from Vermont [Mr. AIKEN].

The VICE PRESIDENT. The Senator from Vermont is recognized.

Mr. AIKEN. Mr. President, I am not prepared to speak at this time. I may want only 2 or 3 minutes, but I have to wait for material to come from my office. If the Senate is ready for a vote on the Clark amendment, let us proceed to vote.

Mr. CLARK of Missouri. So far as I am concerned, Mr. President, I am ready for a vote.

Mr. HILL. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hayden	Radcliffe
Andrews	Hill	Reed
Ball	Holman	Revercomb
Bankhead	Johnson, Colo.	Reynolds
Bilbo	Kilgore	Robertson
Bone	La Follette	Russell
Brewster	Langer	Scrugham
Bridges	Lodge	Shipstead
Brooks	Lucas	Smith
Buck	McCarran	Stewart
Butler	McClellan	Thomas, Idaho
Byrd	McFarland	Thomas, Okla.
Capper	McKellar	Thomas, Utah
Caraway	McNary	Tobey
Chavez	Maloney	Truman
Clark, Mo.	Maybank	Tunnell
Downey	Mead	Tydings
Eastland	Millikin	Vandenberg
Ferguson	Moore	Van Nuys
George	Murdock	Wagner
Gerry	Murray	Walsh
Green	Nye	Wheeler
Guffey	O'Daniel	Wherry
Gurney	O'Mahoney	White
Hatch	Overton	Willis
Hawkes	Pepper	Wilson

The VICE PRESIDENT. Seventy-eight Senators have answered to their names. A quorum is present.

Mr. CLARK of Missouri. Mr. President, I desire to occupy the floor for only a moment or two.

Mr. AIKEN. Is the Senator going to address the Senate?

Mr. CLARK of Missouri. For about 2 minutes.

Mr. AIKEN. I should like about 3 minutes after the Senator shall have concluded his remarks.

Mr. CAPPER. Mr. President, will the Senator yield?

Mr. CLARK of Missouri. I yield.

Mr. CAPPER. Mr. President, I have received a letter from J. C. Mohler, secretary of the Kansas State Board of Agriculture, Topeka, Kans., in which he takes a strong stand against the subsidy and roll-back program. I regard Mr. Mohler as one of the best authorities in the West on agricultural matters. I ask that his letter be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

KANSAS STATE BOARD OF AGRICULTURE,
State House, Topeka, June 23, 1943.
Hon. ARTHUR CAPPER,
United States Senate,
Washington, D. C.

DEAR SENATOR CAPPER: Perhaps there could be no more effective way to destroy democracy than to follow through the scheme of roll-back and subsidy, as inevitably it would lead to complete subjugation of the people.

The husbandmen with whom I have discussed this subject are vigorously opposed to Government subsidies as a solution of their problems, and I suspect their views pretty well reflect farm sentiment generally.

Sincerely yours,

J. C. MOHLER, Secretary.

Mr. CLARK of Missouri. Mr. President, yesterday I had occasion on this floor to question the accuracy of a statement contained in letters written by the Loan Administrator, Mr. Jesse Jones, to the Senator from Colorado, the Senator from Vermont, the Senator from Georgia, and myself, and possibly to other Senators. I took exception to the accuracy of the statement in Mr. Jones' letter that definite commitments to the extent of \$450,000,000 had been made for the payment of subsidies on meat, butter, and coffee. I did not believe that statement to be true.

Since yesterday, through the courtesy of Representative CURTIS of Nebraska, I have been furnished with a letter written by Mr. Jones just 2 days before the letter to which I have referred. The letter to Representative CURTIS completely demonstrates the inaccuracy of the letter read in the Senate Chamber yesterday, because in the letter to Representative CURTIS Mr. Jones adopted the same figure \$450,000,000, and set that down, not as a commitment on the part of the Government which the Government would be bound to pay, but as the estimated cost of the whole program for a year.

Mr. President, it seems to me that Mr. Jones has been very much less than frank in his dealings with the Congress; because it would have been just as accurate and just as fair if Mr. Jones had sent here a letter in which he said that the Government had definite commitments of \$4,500,000,000, the estimated cost of the program for the next 10 years, as it would be to say that the Government was committed to the extent of \$450,000,000, because that was the estimated cost for 1 year; for, as a matter of fact, Mr. Jones and everyone else knows that if the Congress should see fit

COOPERATIVE SUSTAINED-YIELD UNIT AGREEMENTS
WITH FOREST OWNERS AND OPERATORS

JUNE 26 (legislative day, MAY 24), 1943.—Ordered to be printed

Mr. McNARY, from the Committee on Agriculture and Forestry,
submitted the following

REPORT

[To accompany S. 250]

The Committee on Agriculture and Forestry, to whom was referred the bill (S. 250) to promote sustained-yield forest management in order thereby (a) to stabilize communities, forest industries, employment, and taxable forest wealth; (b) to assure a continuous and ample supply of forest products; and (c) to secure the benefits of forests in regulation of water supply and stream flow, prevention of soil erosion, amelioration of climate, and preservation of wildlife, after having considered the same, report favorably thereon with an amendment in the nature of a substitute and recommend that the bill as amended do pass.

The amendment proposed by the committee strikes out all after the enacting clause of the bill and inserts in lieu thereof the following:

That in order to promote the stability of forest industries, of employment, of communities, and of taxable forest wealth, through continuous supplies of timber; in order to provide for a continuous and ample supply of forest products; and in order to secure the benefits of forests in maintenance of water supply, regulation of stream flow, prevention of soil erosion, amelioration of climate, and preservation of wildlife, the Secretary of Agriculture and the Secretary of the Interior are severally authorized to establish by formal declaration, when in their respective judgments such action would be in the public interest, cooperative sustained-yield units which shall consist of federally owned or administered forest land under the jurisdiction of the Secretary establishing the unit and, in addition thereto, land which reasonably may be expected to be made the subject of one or more of the cooperative agreements with private landowners authorized by section 2 of this Act.

SEC. 2. The Secretary of Agriculture, with respect to forest land under his jurisdiction, and the Secretary of the Interior, with respect to forest land under his jurisdiction, are severally authorized, for the purposes specified in section 1 of this Act, to enter into cooperative agreements with private owners of forest land within a cooperative sustained-yield unit, established pursuant to section 1 of this Act, providing for the coordinated management of such private forest land and of federally owned or administered forest lands within the sustained-yield unit involved.

Each cooperative agreement may give the cooperating private landowner the privilege of purchasing without competitive bidding at prices not less than their appraised value, subject to periodic readjustments of stumpage rates to and such other conditions and requirements as the Secretary may prescribe, timber and other forest products from federally owned or administered forest land within the unit, in accordance with the provisions of sustained-yield management plans formulated or approved by the Secretary for the unit; shall limit the time, rate, and method of cutting or otherwise harvesting timber and other forest products from the land of the cooperating private landowner, due consideration being given to the character and condition of the timber, to the relation of the proposed cutting to the sustained-yield plan for the unit, and to the productive capacity of the land; shall prescribe the terms and conditions upon which the cooperating private landowner may sell to any person timber and other forest products from his land, compliance by the purchaser with such conditions to be required by the contract of sale; shall contain such provisions as the Secretary deems necessary to protect the reasonable interest of other owners of forest land within the unit; and shall contain such other provisions as the Secretary believes necessary to carry out the purposes of this Act.

Each cooperative agreement shall be placed on record in the county or counties in which the lands of the cooperating private landowner covered thereby are located, and the costs incident to such recordation may be paid out of any funds available for the protection or management of federally owned or administered forest land within the unit. When thus recorded, the agreement shall be binding upon the heirs, successors, and assigns of the owner of such land, and upon purchasers of timber or other forest products from such land, throughout the life of such cooperative agreement.

SEC. 3. The Secretary of Agriculture and the Secretary of the Interior are further severally authorized, whenever in their respective judgments the maintenance of a stable community or communities is primarily dependent upon the sale of timber or other forest products from federally owned or administered forest land and such maintenance cannot effectively be secured by following the usual procedure in selling such timber or other forest products, to establish by formal declaration for the purpose of maintaining the stability of such community or communities a sustained-yield unit consisting of forest land under the jurisdiction of the Secretary establishing such unit, to determine and define the boundaries of the community or communities for whose benefit such unit is created, and to sell, subject to such conditions and requirements as the Secretary believes necessary, federally owned or administered timber and other forest products from such unit without competitive bidding at prices not less than their appraised values, to responsible purchasers within such community or communities.

SEC. 4. Each of the said Secretaries is further authorized in his discretion to enter into cooperative agreements with the other Secretary, or with any Federal agency having jurisdiction over federally owned or administered forest land, or with any State or local agency having jurisdiction over publicly owned or administered forest land, providing for the inclusion of such land in any coordinated plan of management otherwise authorized by the provisions of this Act when by such a cooperative agreement he may be aided in accomplishing the purposes of this Act; but no federally or publicly owned or administered forest land not under the jurisdiction of the Secretary establishing the sustained-yield unit concerned shall be included in any such plan except in pursuance of a cooperative agreement made under this section.

SEC. 5. Before any sustained-yield unit authorized by section 1 or section 3 of this Act shall be established, and before any cooperative agreement authorized by section 2 or section 4 of this Act shall be entered into, advance notice thereof shall be given by publication in one or more newspapers of general circulation in the vicinity of the place where the timber is located, and the costs incident to such publication may be paid out of any funds available for the protection or management of the Federally owned or administered forest land involved. This notice shall state: (1) the location of the proposed unit; (2) the name of each proposed cooperator; (3) the duration of the proposed cooperative agreement or agreements; (4) the location and estimated quantity of timber on the land of each proposed cooperator and on the Federal land involved; (5) the expected rate of cutting of such timber; and (6) the time and place of a public hearing to be held not less than thirty days after the first publication of said notice for the presentation of the advantages and disadvantages of the proposed action to the community or communities affected.

" Before any sale agreement made without competition and involving more than \$500 in stumpage value of federally owned or administered timber shall be entered into under this Act, advance notice thereof shall be given by publication in one or more newspapers of general circulation in the vicinity of the place where the timber is located, and the costs incident to such publication may be paid out of any funds available for the protection or management of federally owned or administered forest land within the unit concerned. This notice shall state: (1) the quantity and appraised value of the timber; (2) the time and place of a public hearing to be held not less than thirty days after the first publication of said notice if requested by the State or county where the timber is located or by any other person deemed to have a reasonable interest in the proposed sale or in its terms; and (3) the place where any request for a public hearing shall be made. Such requests need be considered only if received at the place designated in the notice not later than fifteen days after the first publication of such notice. If a request for a hearing is received within the time designated, notice of the holding of the hearing shall be given not less than ten days before the time set for such hearing, in the same manner as provided for the original notice.

The determination made by the Secretary having jurisdiction upon the proposals considered at any such hearing, which determination may include the modification of the terms of such proposals without further hearing thereon, together with the minutes or other record of the hearing, shall be available for public inspection during the life of any coordinated plan of management or agreement entered into in consequence of such determination.

SEC. 6. In addition to any other remedy available under existing law, upon failure of any private owner of forest land which is subject to a cooperative agreement entered into pursuant to this Act to comply with the terms of such agreement, or upon failure of any purchaser of timber or other forest products from such land to comply with the terms and conditions required by such agreement to be included in the contract of sale, the Attorney General, at the request of the Secretary concerned, is authorized to institute against such owner or such purchaser a proceeding in equity in the proper district court of the United States, to require compliance with the terms and conditions of said cooperative agreement; and jurisdiction is hereby conferred upon said district courts to hear and determine such proceedings, to order compliance with the terms and conditions of cooperative agreements entered into pursuant to this Act, and to make such temporary and final orders as shall be deemed just in the premises. As used in this section the term "owner" shall include the heirs, successors, and assigns of the landowner entering into the cooperative agreements.

SEC. 7. Whenever used in this Act, the term "federally owned or administered forest land" shall be construed to mean forest land in which, or in the natural resources of which, the United States has a legal or equitable interest of any character sufficient to entitle the United States to control the management or disposition of the timber or other forest products thereon, except land heretofore or hereafter reserved or withdrawn for purposes which are inconsistent with the exercise of the authority conferred by this Act; and shall include trust or restricted Indian land, whether tribal or allotted, except that the timber and other forest products on such land shall not be sold without the consent of the Indians concerned.

SEC. 8. The Secretary of Agriculture and the Secretary of the Interior may severally prescribe such rules and regulations as may be appropriate to carry out the purposes of this Act. Each Secretary may delegate any of his powers and duties under this Act to other officers or employees of his Department. ✓

SEC. 9. Nothing contained in this Act shall be construed to abrogate or curtail any authority conferred upon the Secretary of Agriculture or the Secretary of the Interior by any Act relating to management of federally owned or administered forest lands, and nothing contained in any such Acts shall be construed to limit or restrict any authority conferred upon the Secretary of Agriculture or the Secretary of the Interior by this Act.

SEC. 10. There are hereby authorized to be appropriated for the purposes of this Act such sums as the Congress may from time to time deem necessary.

As part of this report there follow copies of the letters received by the chairman of the committee from the Secretary of Agriculture and the Secretary of the Interior, respectively, in which the Secretaries state that, after full collaboration with each other, they join in recommending the enactment of this legislation in the language above set forth.

MAY 21, 1943.

Hon. ELLISON D. SMITH,
Chairman, Committee on Agriculture and Forestry,
United States Senate.

DEAR SENATOR SMITH: This is in reply to your request of January 13 for a report on S. 250, a bill "to promote sustained-yield forest management in order thereby (a) to stabilize communities, forest industries, employment, and taxable forest wealth; (b) to assure a continuous and ample supply of forest products; and (c) to secure the benefits of forests in regulation of water supply and stream flow, prevention of soil erosion, amelioration of climate, and preservation of wildlife."

The underlying purpose of this bill, as we understand it, is to give the Secretary of Agriculture and the Secretary of the Interior, each with respect to Federal lands under his jurisdiction and nearby private lands, discretionary authority (1) to establish cooperative sustained-yield units for the purpose of coordinated sustained-yield management of public and private lands; (2) to enter into cooperative agreements with willing landowners within such units under which, in consideration of the assured privilege of purchasing Government timber and of other benefits to them from coordinated management, they will manage their land in accordance with requirements prescribed by the Secretary; (3) to establish sustained-yield units of Federal land where necessary in order to maintain dependent communities, and to sell timber without competition at not less than appraised value to responsible purchasers established in such communities. These authorities are to be exercised only where to do so will clearly promote the permanent welfare of dependent communities, and in general be in the public interest."

This Department has given intensive and favorable consideration over a period of years to sustained-yield management of national-forest lands in combination with private forest lands, and to the sale of national-forest timber without competition where necessary to sustain dependent communities; all with adequate safeguards for the public interest. We endorse in its general principles the plan embodied in this bill.

It is the belief, however, both of this Department and of Interior that certain revisions as to detail are needed to clarify the intent and authority, and fully to protect the public interest. Representatives of Interior and Agriculture have therefore collaborated in working out mutually acceptable revisions. These are embodied in the attached draft, which is submitted for your convenience.

The following explanation deals with the plan as outlined in the revised draft, and especially in its relation to national-forest administration.

The plan is intended to benefit two types of problem situations. The first involves private forest landowners who have insufficient mature and growing timber to enable them to cut on a sustained-yield basis. They therefore operate on a cut-out-and-get-out basis, often leaving devastated lands and wrecked communities behind them. Intermingled, and nearby, national-forest timber may be sufficient so that if both were managed as one unit, sustained-yield and permanent industries and communities would be feasible. Under existing law, however, national-forest timber must be advertised for competitive bids, and the owners of the private land have no certainty that they will be successful bidders.

The first two sections would authorize the Secretary to establish cooperative sustained-yield units that would include national-forest land and lands of prospective cooperators; and to enter into binding cooperative agreements under which the private owners will be required to cut their timber at a rate and in ways prescribed by the Secretary that will keep the forest productive. In turn, the cooperating private owners will be given assurance that they can buy national-forest timber in accordance with the joint sustained-yield plan for the unit as a whole and at a fair price. This will put combined public and private holdings in position to attain the basic purpose of the plan, which is to sustain permanent industries and opportunities for employment and to stabilize the dependent communities.

Provision is made also for the Secretary to enter into cooperative arrangements with the other Secretary or with any other public agency administering forest lands for the inclusion of such lands in the coordinated plan of management, when considered desirable by the agencies concerned.

The second type of situation involves only national-forest timber. Here, established dependent communities needing protection against competition would be wrecked if the national-forest timber were allowed to be manufactured elsewhere. Section 3 of the bill, therefore, authorizes the Secretary to establish sustained-yield units and, subject to such conditions as he believes necessary, to sell national-forest timber without competitive bids to responsible purchasers established within the communities concerned.

The several provisions to safeguard the public interest are particularly important. In the first place, the authority of the Secretary to establish cooperative sustained-yield units, or to enter into cooperative agreements, is discretionary. The sustained-yield management plan for such a unit as a whole must be formulated or approved by the Secretary. In every cooperative agreement entered into, the Secretary must limit the time, rate, and method of cutting from the land of the cooperating private owner in order adequately to correlate it with the sustained-yield plan for the unit; must prescribe the terms and conditions upon which the cooperating landowner may sell timber and forest products from his land; and must include in the agreement such other provisions as are necessary to carry out the purposes of the act, and such provisions as he deems necessary to protect the reasonable interests of other owners. ✓

Each cooperative agreement must be recorded and the terms thereof made binding also upon those inheriting or otherwise acquiring the interests of the original cooperating private landowner. Equitable remedies are provided for the enforcement of such agreements.

As a further precaution it is provided that before any sustained-yield unit is established under either section 1 or 3, or any cooperative agreement is entered into, a public hearing must be held after advance notice by publication, for the presentation of advantages and disadvantages of the proposed action to the community or communities affected. Before any sale agreement is entered into without competition and involving more than \$500 in stumpage value of national-forest timber, advance notice of the proposed sale must be given by publication, and a hearing must be held if requested by the State or county concerned or by any other person deemed by the Secretary to have a reasonable interest in the proposed sale or in its terms. The record of the hearings and the Secretary's determination are to be available for public inspection. ✓

We desire to emphasize that, if this bill is enacted, this Department will proceed with the utmost caution in establishing sustained-yield units thereunder. It is possible that a good many applications will be received from private owners anxious to obtain national-forest timber without competition. It is anticipated, however, that the development of any large program of such units will be a rather slow process.

As indicated above, the plan embodied in the revised draft has been under long and favorable consideration. It has been endorsed by various agencies and organizations. In our judgment the advantages to be gained under the plan are desirable and substantial. The enactment of the bill with the revisions embodied in the enclosed draft is therefore recommended by this Department.

The Bureau of the Budget advises that it has no objection to the submission of this report.

Sincerely,

CLAUDE R. WICKARD,
Secretary.

THE SECRETARY OF THE INTERIOR,
Washington, May 20, 1943.

HON. ELLISON D. SMITH,
Chairman, Committee on Agriculture and Forestry,
United States Senate.

MY DEAR SENATOR SMITH: Further reference is made to your request for a report on S. 250, entitled "A bill to promote sustained-yield forest management in order thereby (a) to stabilize communities, forest industries, employment, and taxable forest wealth; (b) to assure a continuous and ample supply of forest products; and (c) to secure the benefits of forests in regulation of water supply and stream flow, prevention of soil erosion, amelioration of climate, and preservation of wildlife."

For the reasons stated in this letter I strongly recommend the enactment of S. 250, provided it is amended to reflect the changes incorporated in the suggested revision enclosed herewith.

Legislation which would establish sound and equitable procedures for the formulation and application of sustained-yield management plans along the lines contemplated by S. 250 is sorely needed. Under such legislation it should be made possible for federally owned or administered forest lands, together with private forest lands in the same general area, to be managed on a basis that would maintain the productive capacity of both the public and the private holdings involved, and that would provide an increased measure of economic

stability for the communities dependent on such lands. To the extent permitted by existing laws the Department of the Interior has sought to administer the extensive forest resources under its jurisdiction in ways which would tend to bring about the accomplishment of these objectives, as well as of the other ends stated in the title of S. 250. Notable progress in this direction has been made through the establishment of sustained-yield management plans for the revested and reconveyed forests of western Oregon under the progressive forest maintenance procedures for these lands authorized by the Act of August 28, 1937 (50 Stat. 874). Numerous opportunities for the establishment of similar sustained-yield units having as one of their principal objectives the development and protection of stable forest-using communities exist in connection with Indian lands, the unreserved public domain, grazing lands, and other areas administered by this Department for purposes consistent with commercial disposition of the annual forest yield.

Full realization of desirable forest management objectives is, however, prevented by certain obstacles which can be removed only through legislative action. One of the most important is the fact that the laws applicable to forest lands under the jurisdiction of this Department limit the disposition of their products in ways such that the fullest beneficial utilization of the resource cannot always be obtained, as, for example, in the case under the laws which permit the sale of timber from the unreserved public domain only if such timber is either dead, down, damaged, or diseased. An obstacle of even greater moment is the fact that the commingling of public and private forest lands in many localities makes it impossible to achieve permanent economic stabilization for the area merely through the adoption of sustained-yield practices on the Federal lands involved, a situation which can be relieved only through the authorization of comprehensive practical procedures for the adoption of similar practices on the private and other non-Federal lands within the area.

Legislation designed to overcome these difficulties should, I believe, be founded on and give expression to the following basic principles: (1) the interest of forest users in the continued existence of the forests upon which they are dependent for obtaining a livelihood should be recognized through the establishment of sustained-yield units designed to support a permanent local economy based on periodic timber cuts adjusted to the reproductive capacity of the unit; (2) the development and application of an integrated sustained-yield management plan for each unit where private forest holdings are intermingled with federally owned or administered forest lands should be brought about through the making of co-operative agreements with the private landowners providing for the management of their properties, and the disposition of the forest products thereof, in accordance with the cutting rates and other procedures required by the terms of the plan; (3) cooperating private forest operators whose properties by reason of circumstances such as size or location cannot be operated economically on a sustained-yield basis independently of other sources of supply should be given assurance that they will be able to supplement the annual yields of their lands out of the yields from federally held properties within the unit; (4) purchasers of forest products in communities dependent upon the forest resources of the unit for raw materials necessary to sustain local industries and to prevent disruption of local fiscal, employment, and living conditions should be given assurance that they will be able to secure a continuous supply of these materials in preference to purchasers not so situated; (5) in order to provide these assurances of stability the sale of forest products from federally owned or administered lands within the unit should be authorized on terms whereby cooperating private operators and purchasers in dependent communities may obtain these products at prices determined by a fair and open appraisal without competitive bidding; (6) prior to the establishment of any sustained-yield unit, the making of any cooperative agreement, or the consummation of any timber sale of consequence, all persons having a substantial interest therein should be accorded an opportunity to present at a public hearing any facts or considerations which may be relevant to the selection of the best method of bringing about the fullest beneficial use of the forest resources covered by such unit, agreement, or sale; (7) provision should be made for enforcing the terms of cooperative agreements against the parties thereto, and against purchasers of the land or forest products covered thereby, by means of suits for specific performance or other appropriate judicial remedies; and (8) the authority to establish sustained-yield units should be vested in the Department of Agriculture and the Department of the Interior as the agencies of the Government principally concerned with forest administration, but other Federal,

State, or local agencies having jurisdiction over forest lands should be at liberty to enter into cooperative sustained-yield management agreements with the departments mentioned, and permission should also be granted for the inclusion of Indian lands within sustained-yield plans subject to the consent of the Indians concerned.

All of the foregoing principles are either expressly or impliedly recognized by S. 250 in its present form or obviously intended to be applied in its administration, but the provisions of the bill do not prescribe in all particulars a complete, exact, and clear legislative framework for the effectuation of these principles. Accordingly, a suggested revision of the text of the bill has been prepared in the form of the draft accompanying this letter, and is submitted with the recommendation that it be substituted for the present text. This revision, while containing no provision not in accord with the spirit of S. 250 as introduced, embodies a number of very desirable perfecting amendments. The provisions set forth in the draft have been drawn up in collaboration with the Department of Agriculture, and that Department is understood to be in full agreement with this Department as to the need for, and content of, these changes.

Enactment of S. 250 as thus proposed to be revised would make possible the better utilization of forest resources owned or administered by the Federal Government; would tend to discourage destructive lumbering on privately held forest lands; would strengthen the economic structure of communities dependent upon forest resources; would tend to prevent the deterioration of the tax base attendant upon cut-out-and-get-out methods of lumbering; and would in all probability save many communities from the economic paralysis symbolized by the "ghost town" which has descended upon areas where the lumber industry was not operated on a sustained-yield basis.

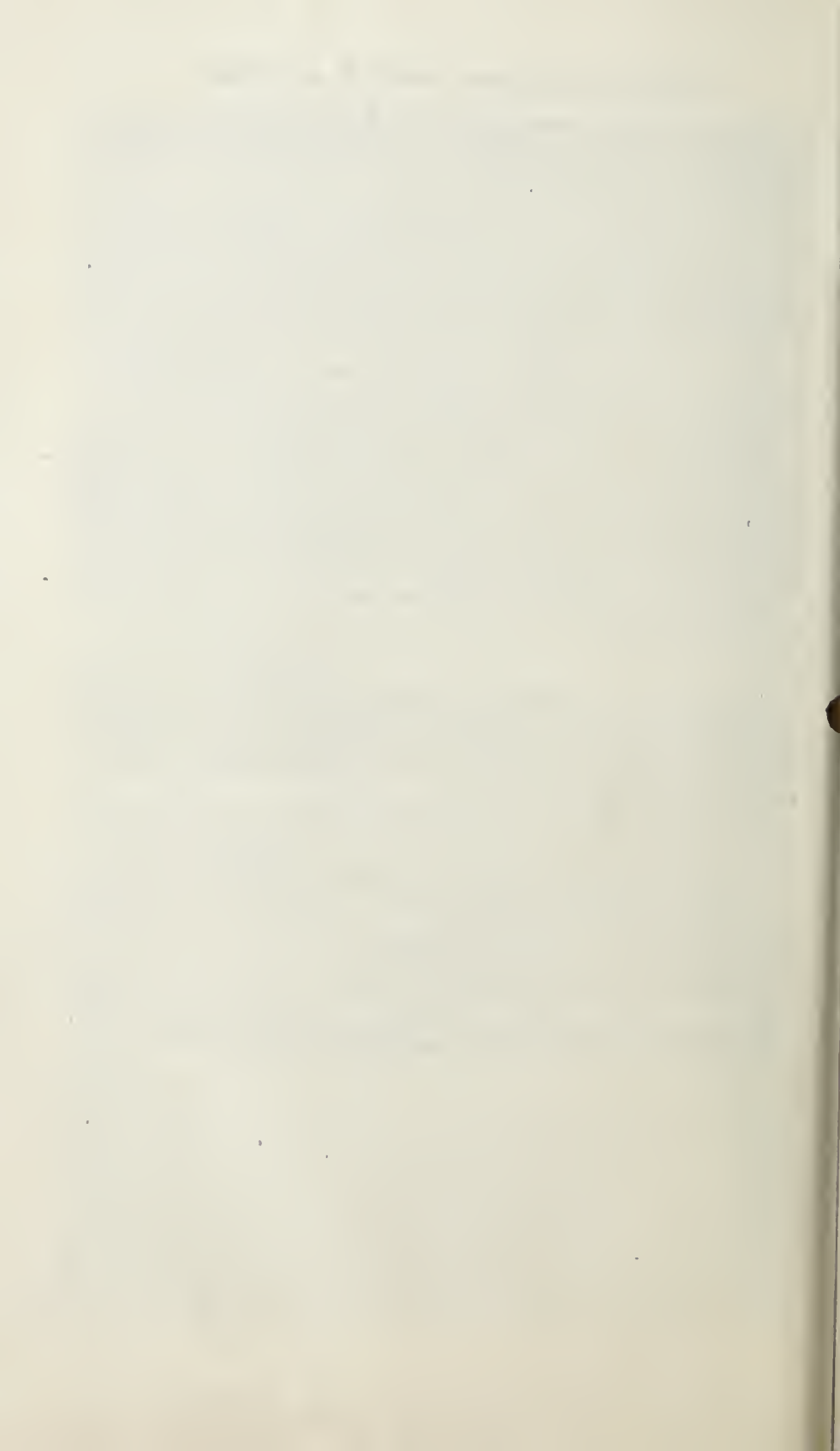
The Bureau of the Budget has advised me that there is no objection to the presentation of this report to your committee.

Sincerely yours,

HAROLD L. ICKES,
Secretary of the Interior.

The principles of this legislation were carefully considered and unanimously recommended for enactment by the Joint Congressional Committee on Forestry in its report to Congress dated March 24, 1941 (S. Doc. No. 32, 77th Cong., 1st sess.). These principles, the subject of careful and expert study for more than 10 years, have been approved by many public and private bodies of whom a few only are the following:

1. United States Timber Conservation Board, 1932.
 2. Large conference of public and private forest experts called by Secretary of Agriculture, 1933.
 3. Lumber Code Authority and National Recovery Administration, 1934.
 4. Pacific Northwest Regional Planning Commission, 1937.
 5. National Conference of public and private forest experts called by National Lumber Manufacturers Association, 1937.
 6. Congress of the United States by act of August, 1937, for the Oregon and California Revested Land Grant lands in Oregon.
 7. National Resources Committee, 1938.
 8. Legislature of State of Washington by legislation with respect to State land, 1939.
 9. Legislature of State of Oregon by legislation with respect to State land, 1941.
- The committee recommend speedy enactment of the bill as reported.



Calendar No. 368

78TH CONGRESS
1ST SESSION

S. 250

[Report No. 359]

IN THE SENATE OF THE UNITED STATES

JANUARY 11, 1943

Mr. McNARY introduced the following bill; which was read twice and referred to the Committee on Agriculture and Forestry

JUNE 26 (legislative day, MAY 24), 1943

Reported by Mr. McNARY, with an amendment

[Strike out all after the enacting clause and insert the part printed in italic]

A BILL

To promote sustained-yield forest management in order thereby
(a) to stabilize communities, forest industries, employment,
and taxable forest wealth; (b) to assure a continuous and
ample supply of forest products; and (c) to secure the bene-
fits of forests in regulation of water supply and stream flow,
prevention of soil erosion, amelioration of climate, and
preservation of wildlife.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That to promote the stability of forest-using industries, em-
4 ployment, and communities through continuous supplies of
5 timber, the Secretary of Agriculture and the Secretary of the
6 Interior are authorized, when they deem such action in the

1 public interest, to make cooperative agreements with other
2 willing landowners for the coordinated management, includ-
3 ing but not limited to time, rate, and method of cutting of
4 timber and forest growth on sustained-yield units located
5 wholly or partly within forest lands owned or controlled by
6 the Federal Government: *Provided*, That the Secretary of
7 Agriculture shall have jurisdiction over Department of Agri-
8 culture lands and the Secretary of the Interior shall have
9 jurisdiction of Department of the Interior lands. The Secre-
10 tary of Agriculture and the Secretary of the Interior are fur-
11 ther authorized to determine, define, and declare formally the
12 establishment of sustained-yield units comprising the land
13 areas covered by such cooperative agreements, and such other
14 lands as may reasonably be expected to be later included
15 under such agreements. In each such cooperative agreement
16 the private or public owner concerned shall agree in consid-
17 eration (1) of the assured privilege of purchasing Govern-
18 ment-owned or controlled timber or other products within the
19 unit concerned pursuant to this section, or (2) of the bene-
20 fits to be obtained by having the owner's lands managed
21 for sustained yield as a part of the unit involved, or of
22 both such privilege and benefit, to limit their cut to the
23 productive capacity of the lands involved as determined by
24 the contracting parties and approved by the respective Secre-
25 tary, and to otherwise comply with the other conditions and

1 requirements of such cooperative agreement. Each coopera-
2 tive agreement entered into hereunder shall also expressly
3 provide that any privilege, benefit, or control conferred by its
4 terms shall not extend beyond the period the agreement
5 remains in full force and effect, and shall prescribe terms
6 and conditions under which the owner may sell timber or
7 timber lands from said owner's properties, within the unit
8 involved to any other person; and shall require that each
9 contract of sale of timber or timber lands made by the owner
10 or the respective Secretary shall obligate the purchaser to
11 comply with such conditions and requirements; and the
12 owner or the Secretary of the Department concerned may
13 take appropriate action to secure such compliance.

14 SEC. 2. That the Secretary of Agriculture or the Secere-
15 tary of the Interior shall cause each cooperative agreement
16 entered into under authority of this section to be placed on
17 record in the county or counties in which the lands of other
18 ownership described therein are located, and he is authorized
19 to pay the cost incident to such recordation out of any avail-
20 able funds appropriated for the activities of the responsible
21 bureau or division.

22 SEC. 3. That, during the period any such cooperative
23 agreement is in effect, timber on land owned or controlled
24 by the Government in the unit concerned, which the respec-
25 tive Secretary determines should be cut under sustained yield

1 management for that unit, may from time to time be sold at
2 not less than its appraised value as approved by the respec-
3 tive Secretary, due consideration being given to existing
4 forest conditions, on all lands included therein; the respective
5 Secretary is authorized in his discretion to reject any bids
6 which may interfere with the sustained-yield management
7 plan for the unit. The sale agreement may provide for
8 periodic readjustments of stumpage rates in such manner and
9 at such periods as the respective Secretary shall prescribe
10 and shall contain such other provisions as are necessary
11 effectually to permit the respective Secretary to carry out
12 the purposes of this section and in other ways afford adequate
13 protection to the public interests involved.

14 SEC. 4. That whenever, in the judgment of the Secre-
15 tary of Agriculture or of the Secretary of the Interior, the
16 maintenance of stable communities in areas where only tim-
17 ber owned or controlled by the Government is involved can-
18 not effectively be secured by applying the usual policy and
19 procedure in making sales of such timber, the respective Sec-
20 retary may, in his discretion, determine, define, and formally
21 declare such areas as sustained-yield units for the mainte-
22 nance of stable communities and, subject to such conditions
23 and requirements as he deems necessary, sell such govern-
24 ment-owned timber from time to time to responsible pur-

1 chasers already established, or to be established, at not less
2 than its appraised value without competitive bidding.

3 SEC. 5. That before the establishment of any sustained-
4 yield forest unit shall formally be declared and before any
5 cooperative agreement or sale agreement made without com-
6 petition shall be entered into under the provisions of this
7 section, advance notice thereof shall be given for not less than
8 thirty days by publication in one or more newspapers of
9 general circulation, in the State where the timber is located,
10 and one or more newspapers of general circulation in the
11 county where such land is located.

12 SEC. 6. That the respective Secretary shall prescribe
13 such rules and regulations on Government owned or con-
14 trolled lands under his jurisdiction as in his judgment are
15 necessary for carrying out the purposes of this section and
16 for the protection of the public interests involved.

17 *That in order to promote the stability of forest industries, of*
18 *employment, of communities, and of taxable forest wealth,*
19 *through continuous supplies of timber; in order to provide for*
20 *a continuous and ample supply of forest products; and in*
21 *order to secure the benefits of forests in maintenance of water*
22 *supply, regulation of stream flow, prevention of soil erosion,*
23 *amelioration of climate, and preservation of wildlife, the*
24 *Secretary of Agriculture and the Secretary of the Interior*

1 are severally authorized to establish by formal declaration,
2 when in their respective judgments such action would be in
3 the public interest, cooperative sustained-yield units which
4 shall consist of federally owned or administered forest land
5 under the jurisdiction of the Secretary establishing the unit
6 and, in addition thereto, land which reasonably may be
7 expected to be made the subject of one or more of the coopera-
8 tive agreements with private landowners authorized by section
9 2 of this Act.

10 SEC. 2. The Secretary of Agriculture, with respect to
11 forest land under his jurisdiction, and the Secretary of the
12 Interior, with respect to forest land under his jurisdiction,
13 are severally authorized, for the purposes specified in section 1
14 of this Act, to enter into cooperative agreements with private
15 owners of forest land within a cooperative sustained-yield
16 unit, established pursuant to section 1 of this Act, providing
17 for the coordinated management of such private forest land
18 and of federally owned or administered forest lands within
19 the sustained-yield unit involved.

20 Each cooperative agreement may give the cooperating
21 private landowner the privilege of purchasing without com-
22 petitive bidding at prices not less than their appraised value,
23 subject to periodic readjustments of stumpage rates and to
24 such other conditions and requirements as the Secretary may
25 prescribe, timber and other forest products from federally

1 owned or administered forest land within the unit, in accord-
2 ance with the provisions of sustained-yield management plans
3 formulated or approved by the Secretary for the unit; shall
4 limit the time, rate, and method of cutting or otherwise har-
5 vesting timber and other forest products from the land of the
6 cooperating private landowner, due consideration being given
7 to the character and condition of the timber, to the relation
8 of the proposed cutting to the sustained-yield plan for the
9 unit, and to the productive capacity of the land; shall pre-
10 scribe the terms and conditions upon which the cooperating
11 private landowner may sell to any person timber and other
12 forest products from his land, compliance by the purchaser
13 with such conditions to be required by the contract of sale;
14 shall contain such provisions as the Secretary deems necessary
15 to protect the reasonable interest of other owners of forest
16 land within the unit; and shall contain such other provisions
17 as the Secretary believes necessary to carry out the purposes
18 of this Act.

19 Each cooperative agreement shall be placed on record
20 in the county or counties in which the lands of the cooperating
21 private landowner covered thereby are located, and the costs
22 incident to such recordation may be paid out of any funds
23 available for the protection or management of federally
24 owned or administered forest land within the unit. When
25 thus recorded, the agreement shall be binding upon the

1 heirs, successors, and assigns of the owner of such land,
2 and upon purchasers of timber or other forest products from
3 such land, throughout the life of such cooperative agreement.

4 *SEC. 3. The Secretary of Agriculture and the Secretary*
5 *of the Interior are further severally authorized, whenever in*
6 *their respective judgments the maintenance of a stable com-*
7 *munity or communities is primarily dependent upon the sale*
8 *of timber or other forest products from federally owned or*
9 *administered forest land and such maintenance cannot effec-*
10 *tively be secured by following the usual procedure in selling*
11 *such timber or other forest products, to establish by formal*
12 *declaration for the purpose of maintaining the stability of*
13 *such community or communities a sustained-yield unit con-*
14 *sisting of forest land under the jurisdiction of the Secretary*
15 *establishing such unit, to determine and define the boundaries*
16 *of the community or communities for whose benefit such unit*
17 *is created, and to sell, subject to such conditions and require-*
18 *ments as the Secretary believes necessary, federally owned*
19 *or administered timber and other forest products from such*
20 *unit without competitive bidding at prices not less than their*
21 *appraised values, to responsible purchasers within such com-*
22 *munity or communities.*

23 *SEC. 4. Each of the said Secretaries is further author-*
24 *ized in his discretion to enter into cooperative agreements*
25 *with the other Secretary, or with any Federal agency having*

1 jurisdiction over federally owned or administered forest
2 land, or with any State or local agency having jurisdiction
3 over publicly owned or administered forest land, providing
4 for the inclusion of such land in any coordinated plan of
5 management otherwise authorized by the provisions of this
6 Act when by such a cooperative agreement he may be aided
7 in accomplishing the purposes of this Act; but no federally
8 or publicly owned or administered forest land not under the
9 jurisdiction of the Secretary establishing the sustained-yield
10 unit concerned shall be included in any such plan except in
11 pursuance of a cooperative agreement made under this section.

12 *SEC. 5. Before any sustained-yield unit authorized by*
13 *section 1 or section 3 of this Act shall be established, and*
14 *before any cooperative agreement authorized by section 2*
15 *or section 4 of this Act shall be entered into, advance notice*
16 *thereof shall be given by publication in one or more news-*
17 *papers of general circulation in the vicinity of the place*
18 *where the timber is located, and the costs incident to such*
19 *publication may be paid out of any funds available for*
20 *the protection or management of the federally owned or*
21 *administered forest land involved. This notice shall state:*
22 *(1) the location of the proposed unit; (2) the name of each*
23 *proposed cooperator; (3) the duration of the proposed coop-*
24 *erative agreement or agreements; (4) the location and esti-*
25 *mated quantity of timber on the land of each proposed*

1 cooperators and on the Federal land involved; (5) the ex-
2 pected rate of cutting of such timber; and (6) the time and
3 place of a public hearing to be held not less than thirty days
4 after the first publication of said notice for the presentation
5 of the advantages and disadvantages of the proposed action
6 to the community or communities affected.

7 Before any sale agreement made without competition
8 and involving more than \$500 in stumpage value of federally
9 owned or administered timber shall be entered into under this
10 Act, advance notice thereof shall be given by publication in
11 one or more newspapers of general circulation in the vicinity
12 of the place where the timber is located, and the costs incident
13 to such publication may be paid out of any funds available
14 for the protection or management of federally owned or ad-
15 ministered forest land within the unit concerned. This notice
16 shall state: (1) the quantity and appraised value of the
17 timber; (2) the time and place of a public hearing to be held
18 not less than thirty days after the first publication of said
19 notice if requested by the State or county where the timber
20 is located or by any other person deemed to have a reasonable
21 interest in the proposed sale or in its terms; and (3) the place
22 where any request for a public hearing shall be made. Such
23 requests need be considered only if received at the place
24 designated in the notice not later than fifteen days after the
25 first publication of such notice. If a request for a hearing is

1 received within the time designated, notice of the holding of
2 the hearing shall be given not less than ten days before the
3 time set for such hearing, in the same manner as provided for
4 the original notice.

5 The determination made by the Secretary having jurisdic-
6 tion upon the proposals considered at any such hearing, which
7 determination may include the modification of the terms of such
8 proposals without further hearing thereon, together with the
9 minutes or other record of the hearing, shall be available for
10 public inspection during the life of any coordinated plan of
11 management or agreement entered into in consequence of such
12 determination.

13 SEC. 6. In addition to any other remedy available under
14 existing law, upon failure of any private owner of forest
15 land which is subject to a cooperative agreement entered into
16 pursuant to this Act to comply with the terms of such agree-
17 ment, or upon failure of any purchaser of timber or other
18 forest products from such land to comply with the terms and
19 conditions required by such agreement to be included in the
20 contract of sale, the Attorney General, at the request of the
21 Secretary concerned, is authorized to institute against such
22 owner or such purchaser a proceeding in equity in the proper
23 district court of the United States, to require compliance
24 with the terms and conditions of said cooperative agreement;
25 and jurisdiction is hereby conferred upon said district courts

1 to hear and determine such proceedings, to order compliance
2 with the terms and conditions of cooperative agreements
3 entered into pursuant to this Act, and to make such tempo-
4 rary and final orders as shall be deemed just in the premises.
5 As used in this section the term "owner" shall include the
6 heirs, successors, and assigns of the landowner entering into
7 the cooperative agreements.

8 SEC. 7. Whenever used in this Act, the term "federally
9 owned or administered forest land" shall be construed to
10 mean forest land in which, or in the natural resources of
11 which, the United States has a legal or equitable interest of
12 any character sufficient to entitle the United States to control
13 the management or disposition of the timber or other forest
14 products thereon, except land heretofore or hereafter reserved
15 or withdrawn for purposes which are inconsistent with the
16 exercise of the authority conferred by this Act; and shall
17 include trust or restricted Indian land, whether tribal or
18 allotted, except that the timber and other forest products on
19 such land shall not be sold without the consent of the Indians
20 concerned.

21 SEC. 8. The Secretary of Agriculture and the Secretary
22 of the Interior may severally prescribe such rules and regula-
23 tions as may be appropriate to carry out the purposes of this
24 Act. Each Secretary may delegate any of his powers and

1 *duties under this Act to other officers or employees of his*
2 *Department.*

3 *SEC. 9. Nothing contained in this Act shall be construed*
4 *to abrogate or curtail any authority conferred upon the Secre-*
5 *tary of Agriculture or the Secretary of the Interior by any*
6 *Act relating to management of federally owned or admin-*
7 *istered forest lands, and nothing contained in any such Acts*
8 *shall be construed to limit or restrict any authority conferred*
9 *upon the Secretary of Agriculture or the Secretary of the*
10 *Interior by this Act.*

11 *SEC. 10. There are hereby authorized to be appropriated*
12 *for the purposes of this Act such sums as the Congress may*
13 *from time to time deem necessary.*

78TH CONGRESS
1ST Session

S. 250

[Report No. 359]

A BILL

To promote sustained-yield forest management in order thereby (a) to stabilize communities, forest industries, employment, and taxable forest wealth; (b) to assure a continuous and ample supply of forest products; and (c) to secure the benefits of forests in regulation of water supply and stream flow, prevention of soil erosion, amelioration of climate, and preservation of wildlife.

By Mr. McNARY

JANUARY 11, 1943

Read twice and referred to the Committee on
Agriculture and Forestry

JUNE 26 (legislative day, MAY 24), 1943

Reported with an amendment

sand letters a week. For the time at his command, he did a great job for his home-folks.

Without future political aspirations, Lloyd Spencer is back on his job at home. He has the satisfaction of a successful career. He is a valuable citizen in the ranks. From his experience he believes "businessmen should take a more active interest in government." "For after all," he says, "government is becoming more a part of everyone's life. It threatens to take over business to a very large extent both during and after the war, yet businessmen neglect politics and government."

Mr. McFARLAND. Mr. President, I also ask to have printed at this point in the RECORD, as a part of my remarks, an article entitled "The Low-down After a Close-up," by former Senator Spencer, published in the Finance Magazine.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Finance of December 1942]

THE LOW-DOWN AFTER A CLOSE-UP—SENATOR LLOYD SPENCER, OF ARKANSAS, RECORDS HIS VIEWS ON THE TREND OF LEGISLATION AS HE PREPARES TO RETURN TO THE FIRST NATIONAL BANK OF HOPE

As the term for which Governor Adkins, of Arkansas, appointed me to the United States Senate draws to a close, I have mixed feelings of regret and pleasure—regret that I shall soon be leaving a group of men for whom I have great admiration—pleasure at the anticipation of returning to a small-town bank and settling back into the life of the community which I love.

The Seventy-seventh Congress has been historical. It sat in continuous session 715 days, which is longer than any in American history; it declared war; it authorized or appropriated more than \$200,000,000,000—a sum larger than the total expense of Government for the period from the day the Declaration of Independence was signed to the day the Seventy-seventh Congress convened—and it delegated unprecedented powers to the President.

When I was appointed Senator almost 2 years ago, some of my friends voiced the fear that "the political bee would sting me" and that I would not want to come back to the more simple and unexciting life of a country banker and farmer. Such has not been the case. I have come to realize, however, how great a service a man can render in the Senate if he will work as hard and as conscientiously there as he must do to make a success in private life.

A Senator's life, however, is anything but a life of ease and a bed of roses. In a former article in Finance I mentioned something of the multitudinous duties and responsibilities, and these are constantly increasing. Regardless of how much effort is put forth, it is a fortunate Senator who can please half of the people. In my own case, I came here with the determination of voting according to my own judgment, after obtaining all available information, and "letting the chips fall where they may." This I have done, and I am convinced that this is the only policy which would make life as a Senator worth while.

The time I have spent here has been most pleasant and educational. I have met and become friends with many men—some being, in my opinion, among the most capable men in this country—men upon whose judgment the fate of this Nation rests. I shall always cherish these friendships and close associations. I feel that my outlook on life has been greatly broadened and that I will get vastly more out of life henceforth than would have been the case had I not had this opportunity.

There are many things which I have learned, however, which have not brought pleasure. After a close-up view of govern-

ment I can see many things which must be changed and corrected if our country is to continue to prosper. Waste in a democratic form of government is no doubt inevitable, but I am astounded at the extent of this waste and extravagance in some departments. In time of war, of course, we must expect this, and probably should not be too greatly disturbed by it. Even so, I am convinced that there is entirely too much disregard for expense. Certainly, the nonwar activities cannot excuse their mistakes and extravagances on the grounds of our being at war. I do not want to leave the impression that all Government departments are inefficient, for such is not the case. Some are well managed and efficient—too many are not.

With an operation as large as that of the United States Government, the board of directors (the Congress) must of necessity create agencies to administer laws which are enacted. There is where the trouble begins. In too many cases the intent of Congress is not carried out in the administration. Rules and regulations which are a burden to business and an annoyance to the public are issued by those in charge of the administration of the laws. Naturally, the public puts the blame on Congress. Newspaper and radio commentators criticize, and the result is that Congress becomes more and more unpopular, suffering from the mistakes and results of regulations made by those theoretical gentlemen in the departments.

In my opinion the executive branch of the Government has assumed too great a weight in relation to the legislative and judicial branches. Conditions during the past few years are responsible for this. First was the depression and critical financial condition of the early thirties. Then the war. These have caused Congress to give powers to the Executive which it would never have done in normal times.

Rather than criticize Congress for everything that happens it would be much better for businessmen to endeavor to elect the best men possible and back them with their advice and confidence. The only thing standing between the people and dictatorship or communism is the Congress. Destroy it and you have destroyed our form of government. I do not mean that individual Members of Congress should not be criticized. On the contrary, I think they should be held fully accountable for their votes and their policies, and should be replaced when they do not demonstrate their worth. But to criticize and damn the Congress as a whole is foolhardy and is a blow at a democratic form of government.

Some of the most capable, sincere, and sound men I have ever known are Members of the Senate and House of Representatives. These men work long hours under great strain and carry heavy responsibilities. They would welcome sound, sincere advice from those of their constituents in whose judgment and motives they have confidence. Businessmen should make it a point to become well acquainted with their Senators and Congressmen and endeavor to help rather than hinder them. Too many businessmen have a feeling that they want nothing to do with politics. You had better take a great interest in the affairs of your Government if you desire to survive during the critical period ahead.

In my opinion Congress must recapture and reserve to itself many powers which, under the stress of the times, have been surrendered. I believe Congress is in a mood to do this and will if backed by public sentiment. Unless this is done we are going to see a great change in our country—a change which, in my opinion, will certainly not be for the good of the country.

I am very much concerned by the tendency to "legislate" by regulations rather than by properly enacted laws. An illustration of this is the recent edict limiting salaries to \$25,000

net. If this is constitutional, then by the same token the limitation could be made \$15,000 or \$5,000 or \$500 as might be considered proper by those in authority. This should alarm every true American, regardless of the amount of his earnings, as it is a blow at individual initiative and our system of free enterprise.

I do not believe that abnormal profits should be allowed to accrue to anyone as a result of war. I believe in the equality of sacrifice and in the contribution to the war effort on the basis of ability to pay. The machinery for the achievement of this should be our system of taxation and not a regulation or a directive. In my opinion, the salary limitation order is not constitutional and is in direct conflict with the intention of Congress. I believe Congress should, and very probably will, put a stop to this sort of thing.

I fear that there is an element in this country which is deliberately endeavoring to destroy the faith of the people in Congress so that they may become powerful and remain in authority indefinitely. I do not believe the President holds this theory. I believe he is more conservative than most people think. Some of his advisers, however, have indicated by statements and actions that they expect to reform our country, if not the entire world.

Our debt continues to mount at an unbelievable rate. Of course, in war there is no chance to practice economy. We must win and must spend what it takes to do this. We could, however, economize in nonwar fields, and this is not being done. For the next year the Budget is likely to be \$100,000,000,000—\$80,000,000,000 for war and \$20,000,000,000 for nonwar expense. With the new tax law—the highest we have ever known—estimated to produce about \$25,000,000,000, we can see that our normal expenditures are entirely too high. There must be a drastic reduction if we are to balance our normal Budget, and it must be balanced if we are to survive. My only solution of this problem is for the people to be brought to the realization of the necessity. This could be done by businessmen if they would spend the necessary time in discussing the matter with as many people as possible. Eventually the will of the people is carried out by all legislative bodies.

There are two facts which give me hope. First is that a majority of the Members of the United States Senate are men of high character, capable and with a sincere desire to do what is best for our country and to carry out the will of the majority of those whom they represent. Secondly, I have a feeling that the people, as a whole, are becoming more concerned with public matters, and I have great faith in the composite intelligence and sound thinking of the citizenship of this Nation.

In any event, I feel certain that things are happening so rapidly that none of us realize the great change which is taking place. An important chapter in our history is being written. Neither our business nor our social way of life will ever be the same as we have heretofore considered "normal." Great readjustments are being made. What the future holds no one knows.

Whatever happens I am fully convinced that the United States will continue to be the best country of all in which to live because during the past 150 years we have been trained to think for ourselves and are a Nation of sound-thinking people who still believe in a government of the people, by the people, for the people.

THE BEEF SHORTAGE—ARTICLE FROM NEW YORK TIMES

Mr. BONE. Mr. President, I desire to have printed in the RECORD at this point, as a part of my remarks, a very interesting article published in the New

York Times for July 8, 1943, under the caption "Lack of beef baffles meat board while record herds roam ranges—Chicago meeting fails to solve the problem created by profit motive in conflict with hold-the-line price ceilings."

The article is too lengthy to justify any comment from me at this time, other than to say that it points out that there are now on the ranges an estimated 78,000,000 head of cattle, the largest number in the country's history, but beef slaughtering at the present time is 39 percent under the slaughtering had at the same period last year. The article states that one important reason for the present situation, as seen in Chicago, where the meeting which is the subject of the article was held, appears to be the desire for higher prices on the part of the cattle producers, and a second reason is the great number of complicated regulations which are keeping beef from the markets, with the result that the black market in the country is providing 20 percent of the beef on the market, and some very mournful aspects present themselves.

Mr. President, it seems to me that unless we find a solution for this sort of complication, and iron it out, we shall face a serious problem very soon. There is no sense in this sort of a situation. As between private operators, the factories, and those who are otherwise interested in the matter, some solution must be found, and must be found very quickly, if we are to avoid serious consequences.

The VICE PRESIDENT. Is there objection to the request of the Senator from Washington?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LACK OF BEEF Baffles MEAT BOARD WHILE RECORD HERDS ROAM RANGES—CHICAGO MEETING FAILS TO SOLVE THE PROBLEM CREATED BY PROFIT MOTIVE IN CONFLICT WITH HOLD-THE-LINE PRICE CEILINGS

CHICAGO, July 7.—The War Meat Board, meeting today with its industry advisory committee, came up with no quick solution to the most acute phase of the Nation-wide food problem—how to loosen a flow of cattle from the farms and ranges to the country's legitimate slaughterhouses.

The meat experts took under advisement several plans aimed at doctoring the intricate price mechanism that has grown up in the marketing of cattle and all the by-products of their processing, but conclusions likely will await further recommendations to and word from Washington. The immediate problem is to find additional incentive for cattle sales which can operate within President Roosevelt's hold-the-line order on inflation.

Even while the planners were meeting, regional authorities were smashing hard at the black market which, they concede, is spreading alarmingly in this section amidst the present confusion. They asserted that they had crushed the country's largest black market in veal by closing a wildcat slaughtering operation in Wisconsin.

Many of the calves were hauled great distances, War Food Administration officials said, and some that were too young or too weak from illness to survive and died on the way were thrown in with live ones and all processed together, often under the most highly unsanitary conditions.

Smashing of this part of the veal black market was in addition to a drive in which

the Food Distribution Administration revoked slaughter permits of 22 small slaughterers and butchers in Illinois and Wisconsin for operating in violation of Federal regulations. Most of the revocations were based upon alleged falsification of 1941 killings, upon which the permits were issued. A general recheck of these licenses to small slaughterers is under way in this section, in a drive against the black market.

SHORTAGE AMID PLENTY

Meanwhile, the paradox continued of a land running over with livestock and a growing shortage of beef not only for the civilian population but for the armed forces as well.

There are today on the ranges and farms an estimated 78,000,000 head of cattle and 75,000,000 hogs, the largest number in the country's history. Government authorities figure that these totals will be raised to 82,600,000 and 87,000,000, respectively, by January.

Quite an argument has developed among livestock men as to how many of the cattle are beef and how many dairy, but the fact remains that the country has available for slaughter more than enough animals, beef and pork, to take care of all the needs of the armed forces, the civilian population, and lend-lease aid to our allies for many months to come.

The problem of pork seems on its way to solution, largely through the operation of natural forces. Pork produced at the federally inspected packing plants, according to the War Meat Board, was 40 percent in excess of the amount for the corresponding period in 1942, but beef production at the same slaughteringhouses last week was 39 percent under the same period last year.

FACTORS STRAINING DISTRIBUTION

Between a steer grazing peacefully on the Texas range and a sirloin steak on a platter hundreds of miles away are myriad processes which had been drawn together into an automatically working system before the war. That system is now under terrific strain, what with wartime exactions upon transportation and manpower and the Army's and Navy's take of meat.

But there are other factors, among them the desire of the producer for a higher price, a greater profit. The animal is now worth 13.50 to 16.50 cents a pound on the Chicago market. Furthermore, where the steer is today, the grass is green and tender, due to a late spring and plentiful rain. His owner does not have to worry about the grain shortage. But let a searing drought descend upon the cattle country for 10 days or 2 weeks drying up the stock water and parching the grass, and the story might change very quickly. Our beeper might entrain hurriedly for Chicago or Kansas City.

The next thing keeping the animal happy and alive out there on the range is the lack of enthusiasm among the packers to do anything drastic to get him into their hands. While the cattlemen are holding for higher prices, the packers complain that they are limited from above by the ceiling on wholesale meat prices and many contend that, as a result, every steer they slaughter is a losing proposition.

So the chances of the steer for not showing up soon as a juicy sirloin on a New York platter are fairly good. They will remain so, meat experts contend, unless or until the price relationship is allowed to adjust itself in a manner to produce the incentive to get him into the channels of trade, or unless more direct governmental action is taken to get him there.

SALES IN BLACK MARKET

Even after the animal is on his way, he may be a long way from New York. He may be diverted to the black market, and while through that process parts of him might get to the East, they will not get to those persons

who insist upon legitimate trade. Just the other day reports reached Chicago of 200 carloads of Texas cattle going into Louisiana, into an area that has not a single federally inspected slaughterhouse.

Authorities look with increasing alarm on the number of cattle bought out of the Chicago stockyards on the hoof; the increase in these sales is well more than 50 percent. Most of the cattle so withdrawn went to the East, packing representatives said, largely to sections where the only reason for shipping live cattle in the past was for the kosher trade.

"There is simply no demand like that for kosher meat," one packing authority said.

Twenty percent of the beef now moving is said by meat board officials to be going through the black market.

There are still other things that might happen to our steer between Texas and New York. At least 45 percent of steer and heifer beef must be set aside, under Government orders, for the armed services. Under current circumstances that is not enough to supply the need, so some packers are setting aside as high as 70 percent of the more choice cuts.

Also, the Army or Navy may make a sudden requisition for additional beef to make up for sinking of cargoes by U-boats, or to rush supplies to some point whose needs must be met at once. A short time back the Army suddenly called for 14,000,000 pounds in addition to the set quota.

BOSTON AREA CUT OFF 2 WEEKS

One result of this was that not a single pound of beef was shipped from Chicago to the Boston, Mass., area for a period of 2 weeks.

Endless Government regulations further complicate the natural flow of meat. There is, too, the additional complication of shortage of manpower, now becoming serious in the packing industry. The American Meat Institute estimates that because of one or more of the obstacles cited above, more than 100 companies, some of them very substantial, have had to discontinue or sharply curtail beef operations since October 1.

But the overburdening reason why the cattle population is continuing so large and the beef supply so low is the fact that the beefers are not moving to market, nothing like to the extent of the facilities available. And the one great reason for this, as seen here, is the desire for higher prices on the part of the cattle producer.

As to hogs, the situation is the reverse. Due to a break downward in price, indicating that the boom-price days may be drawing to a close, and also due to a lack of corn in many "deficit" areas, hogs are now flowing to the packers in a constant, grunting stream. Sufficient pork for all needs, therefore, is freely predicted by the meat experts. As one of them put it today, "There'll be plenty of hog and hominy if we can get the hominy."

PROMOTION OF SUSTAINED-YIELD FOREST MANAGEMENT

Mr. HOLMAN. Mr. President, I ask unanimous consent to revert to Calendar No. 368, Senate bill 250. The bill is one introduced by the senior Senator from Oregon [Mr. McNARY]. The junior Senator from West Virginia [Mr. REVERCOMB] objected to consideration of the bill when it was reached during the call of the calendar a few days ago. The Senator from West Virginia has now withdrawn his objection. I ask unanimous consent that the bill be considered at the present time.

The PRESIDING OFFICER (Mr. THOMAS of Utah in the chair). The bill will be read by title, for the information of the Senate.

The CHIEF CLERK. A bill (S. 250) to promote sustained-yield forest management in order thereby (a) to stabilize communities, forest industries, employment, and taxable forest wealth; (b) to assure a continuous and ample supply of forest products; and (c) to secure the benefits of forests in regulation of water supply and stream flow, prevention of soil erosion, amelioration of climate, and preservation of wildlife.

Mr. BARKLEY. Mr. President, under the circumstances I will not object to present consideration of the bill, because it was reached during the call of the calendar had the other day, and objection was made at that time. However, I hope Senators will not ask to have special bills on the calendar taken up until the Senate has completed action on the appropriation bills and the other business it must transact today in order to be able to agree to a motion to take a recess.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 250), which had been reported from the Committee on Agriculture and Forestry, with an amendment, to strike out all after the enacting clause, and insert:

That in order to promote the stability of forest industries, of employment, of communities, and of taxable forest wealth, through continuous supplies of timber; in order to provide for a continuous and ample supply of forest products; and in order to secure the benefits of forests in maintenance of water supply, regulation of stream flow, prevention of soil erosion, amelioration of climate, and preservation of wildlife, the Secretary of Agriculture and the Secretary of the Interior are severally authorized to establish by formal declaration, when in their respective judgments such action would be in the public interest, cooperative sustained-yield units which shall consist of federally owned or administered forest land under the jurisdiction of the Secretary establishing the unit and, in addition thereto, land which reasonably may be expected to be made the subject of one or more of the cooperative agreements with private landowners authorized by section 2 of this act.

SEC. 2. The Secretary of Agriculture, with respect to forest land under his jurisdiction, and the Secretary of the Interior, with respect to forest land under his jurisdiction, are severally authorized, for the purposes specified in section 1 of this act, to enter into cooperative agreements with private owners of forest land within a cooperative sustained-yield unit, established pursuant to section 1 of this act, providing for the coordinated management of such private forest land and of federally owned or administered forest lands within the sustained-yield unit involved.

Each cooperative agreement may give the cooperating private landowner the privilege of purchasing without competitive bidding at prices not less than their appraised value, subject to periodic readjustments of stumpage rates and to such other conditions and requirements as the Secretary may prescribe, timber and other forest products from federally owned or administered forest land within the unit, in accordance with the provisions of sustained-yield management plans formulated or approved by the Secretary for the unit; shall limit the time, rate, and method of cutting or otherwise harvesting timber and other forest products from the land of the cooperating private landowner, due consideration being given to the character and condition of the timber, to the relation

of the proposed cutting to the sustained-yield plan for the unit, and to the productive capacity of the land; shall prescribe the terms and conditions upon which the cooperating private landowner may sell to any person timber and other forest products from his land, compliance by the purchaser with such conditions to be required by the contract of sale; shall contain such provisions as the Secretary deems necessary to protect the reasonable interest of other owners of forest land within the unit; and shall contain such other provisions as the Secretary believes necessary to carry out the purposes of this act.

Each cooperative agreement shall be placed on record in the county or counties in which the lands of the cooperating private landowner covered thereby are located, and the costs incident to such recordation may be paid out of any funds available for the protection or management of federally owned or administered forest land within the unit. When thus recorded, the agreement shall be binding upon the heirs, successors, and assigns of the owner of such land, and upon purchasers of timber or other forest products from such land, throughout the life of such cooperative agreement.

SEC. 3. The Secretary of Agriculture and the Secretary of the Interior are further severally authorized, whenever in their respective judgments the maintenance of a stable community or communities is primarily dependent upon the sale of timber or other forest products from federally owned or administered forest land and such maintenance cannot effectively be secured by following the usual procedure in selling such timber or other forest products, to establish by formal declaration for the purpose of maintaining the stability of such community or communities a sustained-yield unit consisting of forest land under the jurisdiction of the Secretary establishing such unit, to determine and define the boundaries of the community or communities for whose benefit such unit is created, and to sell, subject to such conditions and requirements as the Secretary believes necessary, federally owned or administered timber and other forest products from such unit without competitive bidding at prices not less than their appraised values, to responsible purchasers within such community or communities.

SEC. 4. Each of the said Secretaries is further authorized in his discretion to enter into cooperative agreements with the other Secretary, or with any Federal agency having jurisdiction over federally owned or administered forest land, or with any State or local agency having jurisdiction over publicly owned or administered forest land, providing for the inclusion of such land in any coordinated plan of management otherwise authorized by the provisions of this act when by such a cooperative agreement he may be aided in accomplishing the purposes of this act; but no federally or publicly owned or administered forest land not under the jurisdiction of the Secretary establishing the sustained-yield unit concerned shall be included in any such plan except in pursuance of a cooperative agreement made under this section.

SEC. 5. Before any sustained-yield unit authorized by section 1 or section 3 of this act shall be established, and before any cooperative agreement authorized by section 2 or section 4 of this act shall be entered into, advance notice thereof shall be given by publication in one or more newspapers of general circulation in the vicinity of the place where the timber is located, and the costs incident to such publication may be paid out of any funds available for the protection or management of the federally owned or administered forest land involved. This notice shall state: (1) the location of the proposed unit; (2) the name of each proposed cooperator; (3) the duration of the proposed cooperative agreement or agree-

ments; (4) the location and estimated quantity of timber on the land of each proposed cooperator and on the Federal land involved; (5) the expected rate of cutting of such timber; and (6) the time and place of a public hearing to be held not less than 30 days after the first publication of said notice for the presentation of the advantages and disadvantages of the proposed action to the community or communities affected.

Before any sale agreement made without competition and involving more than \$500 in stumpage value of federally owned or administered timber shall be entered into under this act, advance notice thereof shall be given by publication in one or more newspapers of general circulation in the vicinity of the place where the timber is located, and the costs incident to such publication may be paid out of any funds available for the protection or management of federally owned or administered forest land within the unit concerned. This notice shall state: (1) the quantity and appraised value of the timber; (2) the time and place of a public hearing to be held not less than 30 days after the first publication of said notice if requested by the State or county where the timber is located or by any other person deemed to have a reasonable interest in the proposed sale or in its terms; and (3) the place where any request for a public hearing shall be made. Such requests need be considered only if received at the place designated in the notice not later than 15 days after the first publication of such notice. If a request for a hearing is received within the time designated, notice of the holding of the hearing shall be given not less than 10 days before the time set for such hearing, in the same manner as provided for the original notice.

The determination made by the Secretary having jurisdiction upon the proposals considered at any such hearing, which determination may include the modification of the terms of such proposals without further hearing thereon, together with the minutes or other record of the hearing, shall be available for public inspection during the life of any coordinated plan of management or agreement entered into in consequence of such determination.

SEC. 6. In addition to any other remedy available under existing law, upon failure of any private owner of forest land which is subject to a cooperative agreement entered into pursuant to this act to comply with the terms of such agreement, or upon failure of any purchaser of timber or other forest products from such land to comply with the terms and conditions required by such agreement to be included in the contract of sale, the Attorney General, at the request of the Secretary concerned, is authorized to institute against such owner or such purchaser a proceeding in equity in the proper district court of the United States, to require compliance with the terms and conditions of said cooperative agreement; and jurisdiction is hereby conferred upon said district courts to hear and determine such proceedings, to order compliance with the terms and conditions of cooperative agreements entered into pursuant to this act, and to make such temporary and final orders as shall be deemed just in the premises. As used in this section the term "owner" shall include the heirs, successors, and assigns of the landowner entering into the cooperative agreements.

SEC. 7. Whenever used in this act, the term "federally owned or administered forest land" shall be construed to mean forest land in which, or in the natural resources of which, the United States has a legal or equitable interest of any character sufficient to entitle the United States to control the management or disposition of the timber or other forest products thereon, except land heretofore or hereafter reserved or with-

drawn for purposes which are inconsistent with the exercise of the authority conferred by this act; and shall include trust or restricted Indian land, whether tribal or allotted, except that the timber and other forest products on such land shall not be sold without the consent of the Indians concerned.

SEC. 8. The Secretary of Agriculture and the Secretary of the Interior may severally prescribe such rules and regulations as may be appropriate to carry out the purposes of this act. Each Secretary may delegate any of his powers and duties under this act to other officers or employees of his department.

SEC. 9. Nothing contained in this act shall be construed to abrogate or curtail any authority conferred upon the Secretary of Agriculture or the Secretary of the Interior by any act relating to management of federally owned or administered forest lands, and nothing contained in any such acts shall be construed to limit or restrict any authority conferred upon the Secretary of Agriculture or the Secretary of the Interior by this act.

SEC. 10. There are hereby authorized to be appropriated for the purposes of this act such sums as the Congress may from time to time deem necessary.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

POSTMASTER NOMINATIONS

Mr. HAYDEN. There has been received today a group of 17 or 18 postmaster nominations. I ask unanimous consent that, as in executive session, the nominations may be read by the Clerk and that the Senate may consider them and dispose of them, because we are likely to adjourn tonight.

The PRESIDING OFFICER. Is there objection?

Mr. WHITE. Mr. President, what are the nominations?

Mr. HAYDEN. They are the nominations of sundry postmasters which have been submitted to the Senate.

Mr. WHITE. Have they been considered by the committee and presented to the Senators from the various States?

Mr. HAYDEN. Yes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arizona?

Mr. BARKLEY. Mr. President, let me say to the Senator and to the Senate that before we conclude today's business we shall have an executive session, at which time all such matters can be considered. Unless there is some particular reason why the nominations should be considered at this time, I must object.

Mr. HAYDEN. Mr. President, in view of the statement of the Senator from Kentucky [Mr. BARKLEY], I withdraw the request.

LIBERALIZATION OF FAMILY ALLOWANCES FOR SERVICEMEN'S DEPENDENTS

Mr. JOHNSON of Colorado. I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 394, Senate bill 1279.

Mr. WHITE. Mr. President, is the Senator from Colorado asking unanimous consent for the present consideration of a bill?

Mr. JOHNSON of Colorado. I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of Senate bill 1279, Calendar No. 394.

The PRESIDING OFFICER. Is there objection?

Mr. WHITE. Mr. President, as I understand, this is a bill which involves several modifications or amendments of the present law. The bill required a committee report of 10 pages for explanation. If the Senator wishes to move that the Senate proceed to consider the bill, I shall have nothing to say; but under the circumstances I must object. The bill would cost about \$400,000,000 a year. I object to taking it up by unanimous consent.

Mr. JOHNSON of Colorado. Mr. President, I hope the Senator will withhold his objection while I make a brief explanation of the bill.

It is true that there are many pages of explanation in the report, but it is also true that all branches of the military service are agreed upon the language of the bill. The bill is necessary to enable the various branches of the military service to carry out the law, in which certain defects have been found.

Mr. WHITE. Mr. President, if the bill is taken up on motion, I think I shall vote for it; but the bill calls for nearly \$400,000,000 of extra expense. Only a few Senators are present. I cannot consent to a unanimous-consent request for the consideration of a bill of this size; but I am perfectly agreeable to a motion to take it up.

The PRESIDING OFFICER. Objection is heard.

AMENDMENT OF SERVICEMEN'S DEPENDENTS ALLOWANCE ACT OF 1942

Mr. JOHNSON of Colorado. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Senate bill 1279, Calendar No. 394.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Colorado?

Mr. WHITE. Mr. President, when a similar request was made previously, I objected to consideration of the bill; but after conference with various Members of the Senate about the situation and about the legislation, I withdraw my objection.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Colorado?

Mr. McCARRAN. Mr. President, reserving the right to object, may we have a word of explanation of the bill?

Mr. JOHNSON of Colorado. I shall be very glad to explain the bill, and shall try to answer any questions pertaining to it.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. McCARRAN. We should first have an explanation of it.

Mr. JOHNSON of Colorado. I shall make a full explanation.

The PRESIDING OFFICER. The Senator from Nevada requests an explanation

of the bill by the Senator from Colorado before the question is put.

Mr. JOHNSON of Colorado. Before the question is put?

The PRESIDING OFFICER. That was the Senator's request.

Mr. JOHNSON of Colorado. Mr. President, the bill provides for changes in allowances to families of men who are in the military service. To show the interest on the part of Congress in the question, I may say that about 20 bills have been introduced by Members of the Senate and Members of the House on different phases of family allowances.

The bill would make four major changes in present law. First, it provides that an initial first payment be made to dependents without delay, simply upon the statement of the enlisted man. Subsequent payments, however, are to be carefully checked, as under present law.

Second, the benefits under this measure would be made available to enlisted men in the first three enlisted grades, if they chose to accept its benefits in lieu of present cash payments for quarters.

Third, allowances would be substantially increased to parents if such allowances were their chief support, rather than the substantial support required in present law.

Fourth, allowances would be substantially increased to the children of enlisted men.

Mr. McCARRAN. Mr. President, I now know what the bill is, and I have no objection, so far as I personally am concerned.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 1279) to amend the Servicemen's Dependents Allowance Act of 1942, as amended, so as to liberalize family allowances, and for other purposes, which had been reported from the Committee on Military Affairs with amendments in section 7, on page 7, line 16, after the word "support", to strike out the comma and the words "and an additional \$11 for each brother or sister dependent upon him for chief support, but not to exceed \$83 in the aggregate" and insert "; \$68 if such enlisted man has one parent and one brother or sister dependent upon him for chief support, and an additional \$11 for each brother or sister dependent upon him for chief support, but not to exceed \$90 in the aggregate"; and in section 7a, on page 9, line 16, after the figures "101" and the colon, to insert "Provided further, That the Secretary of the department concerned is authorized to make the election on behalf of the enlisted man in any case in which he deems it desirable and finds it impracticable for the enlisted man to so elect, however, such an election made on behalf of the enlisted man shall not preclude an election at a later date by the enlisted man: *Provided further*", so as to make the bill read:

Be it enacted, etc., That section 101 of the Servicemen's Dependents Allowance Act of 1942 (56 Stat. 381; 37 U. S. C., Supp. 201), is amended by striking out in the first and second lines the words "of the fourth, fifth, sixth, or seventh grades."

78TH CONGRESS
1ST SESSION

S. 250

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 17, 1943

Referred to the Committee on Agriculture

AN ACT

To promote sustained-yield forest management in order thereby
(a) to stabilize communities, forest industries, employment,
and taxable forest wealth; (b) to assure a continuous and
ample supply of forest products; and (c) to secure the bene-
fits of forests in regulation of water supply and stream flow,
prevention of soil erosion, amelioration of climate, and
preservation of wildlife.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That in order to promote the stability of forest industries, of
4 employment, of communities, and of taxable forest wealth,
5 through continuous supplies of timber; in order to provide for
6 a continuous and ample supply of forest products; and in

1 order to secure the benefits of forests in maintenance of water
2 supply, regulation of stream flow, prevention of soil erosion,
3 amelioration of climate, and preservation of wildlife, the
4 Secretary of Agriculture and the Secretary of the Interior
5 are severally authorized to establish by formal declaration,
6 when in their respective judgments such action would be in
7 the public interest, cooperative sustained-yield units which
8 shall consist of federally owned or administered forest land
9 under the jurisdiction of the Secretary establishing the unit
10 and, in addition thereto, land which reasonably may be
11 expected to be made the subject of one or more of the coop-
12 erative agreements with private landowners authorized by
13 section 2 of this Act.

14 SEC. 2. The Secretary of Agriculture, with respect to
15 forest land under his jurisdiction, and the Secretary of the
16 Interior, with respect to forest land under his jurisdiction,
17 are severally authorized, for the purposes specified in section
18 1 of this Act, to enter into cooperative agreements with
19 private owners of forest land within a cooperative sustained-
20 yield unit, established pursuant to section 1 of this Act,
21 providing for the coordinated management of such private
22 forest land and of federally owned or administered forest lands
23 within the sustained-yield unit involved.

24 Each cooperative agreement may give the cooperating
25 private landowner the privilege of purchasing without com-

1 petitive bidding at prices not less than their appraised value.
2 subject to periodic readjustments of stumpage rates and to
3 such other conditions and requirements as the Secretary may
4 prescribe, timber and other forest products from federally
5 owned or administered forest land within the unit, in accord-
6 ance with the provisions of sustained-yield management plans
7 formulated or approved by the Secretary for the unit; shall
8 limit the time, rate, and method of cutting or otherwise har-
9 vesting timber and other forest products from the land of the
10 cooperating private landowner, due consideration being given
11 to the character and condition of the timber, to the relation
12 of the proposed cutting to the sustained-yield plan for the
13 unit, and to the productive capacity of the land; shall pre-
14 scribe the terms and conditions upon which the cooperating
15 private landowner may sell to any person timber and other
16 forest products from his land, compliance by the purchaser
17 with such conditions to be required by the contract of sale;
18 shall contain such provisions as the Secretary deems necessary
19 to protect the reasonable interest of other owners of forest
20 land within the unit; and shall contain such other provisions
21 as the Secretary believes necessary to carry out the purposes
22 of this Act.

23 Each cooperative agreement shall be placed on record
24 in the county or counties in which the lands of the cooperat-
25 ing private landowner covered thereby are located, and

1 the costs incident to such recordation may be paid out of
2 any funds available for the protection or management of
3 federally owned or administered forest land within the unit.

4 When thus recorded, the agreement shall be binding upon
5 the heirs, successors, and assigns of the owner of such land,
6 and upon purchasers of timber or other forest products from
7 such land, throughout the life of such cooperative agreement.

8 SEC. 3. The Secretary of Agriculture and the Secretary
9 of the Interior are further severally authorized, whenever in
10 their respective judgments the maintenance of a stable com-
11 munity or communities is primarily dependent upon the sale
12 of timber or other forest products from federally owned or
13 administered forest land and such maintenance cannot effec-
14 tively be secured by following the usual procedure in selling
15 such timber or other forest products, to establish by formal
16 declaration for the purpose of maintaining the stability of
17 such community or communities a sustained-yield unit con-
18 sisting of forest land under the jurisdiction of the Secretary
19 establishing such unit, to determine and define the boundaries
20 of the community or communities for whose benefit such unit
21 is created, and to sell, subject to such conditions and require-
22 ments as the Secretary believes necessary, federally owned
23 or administered timber and other forest products from such
24 unit without competitive bidding at prices not less than their

1 appraised values, to responsible purchasers within such com-
2 munity or communities.

3 SEC. 4. Each of the said Secretaries is further author-
4 ized in his discretion to enter into cooperative agreements
5 with the other Secretary, or with any Federal agency having
6 jurisdiction over federally owned or administered forest land,
7 or with any State or local agency having jurisdiction over
8 publicly owned or administered forest land, providing for
9 the inclusion of such land in any coordinated plan of manage-
10 ment otherwise authorized by the provisions of this Act
11 when by such a cooperative agreement he may be aided
12 in accomplishing the purposes of this Act; but no federally
13 or publicly owned or administered forest land not under the
14 jurisdiction of the Secretary establishing the sustained-yield
15 unit concerned shall be included in any such plan except in
16 pursuance of a cooperative agreement made under this section.

17 SEC. 5. Before any sustained-yield unit authorized by
18 section 1 or section 3 of this Act shall be established, and
19 before any cooperative agreement authorized by section 2
20 or section 4 of this Act shall be entered into, advance notice
21 thereof shall be given by publication in one or more news-
22 papers of general circulation in the vicinity of the place
23 where the timber is located, and the costs incident to such
24 publication may be paid out of any funds available for

1 the protection or management of the federally owned or
2 administered forest land involved. This notice shall state:
3 (1) the location of the proposed unit; (2) the name of each
4 proposed cooperator; (3) the duration of the proposed coop-
5 erative agreement or agreements; (4) the location and esti-
6 mated quantity of timber on the land of each proposed
7 cooperator and on the Federal land involved; (5) the ex-
8 pected rate of cutting of such timber; and (6) the time and
9 place of a public hearing to be held not less than thirty days
10 after the first publication of said notice for the presentation
11 of the advantages and disadvantages of the proposed action
12 to the community or communities affected.

13 Before any sale agreement made without competition
14 and involving more than \$500 in stumpage value of federally
15 owned or administered timber shall be entered into under this
16 Act, advance notice thereof shall be given by publication in
17 one or more newspapers of general circulation in the vicinity
18 of the place where the timber is located, and the costs incident
19 to such publication may be paid out of any funds available
20 for the protection or management of federally owned or ad-
21 ministered forest land within the unit concerned. This notice
22 shall state: (1) the quantity and appraised value of the
23 timber; (2) the time and place of a public hearing to be held
24 not less than thirty days after the first publication of said
25 notice if requested by the State or county where the timber

1 is located or by any other person deemed to have a reasonable
2 interest in the proposed sale or in its terms; and (3) the place
3 where any request for a public hearing shall be made. Such
4 requests need be considered only if received at the place
5 designated in the notice not later than fifteen days after the
6 first publication of such notice. If a request for a hearing is
7 received within the time designated, notice of the holding of
8 the hearing shall be given not less than ten days before the
9 time set for such hearing, in the same manner as provided for
10 the original notice.

11 The determination made by the Secretary having juris-
12 diction upon the proposals considered at any such hearing,
13 which determination may include the modification of the
14 terms of such proposals without further hearing thereon, to-
15 gether with the minutes or other record of the hearing, shall
16 be available for public inspection during the life of any co-
17 ordinated plan of management or agreement entered into in
18 consequence of such determination.

19 SEC. 6. In addition to any other remedy available under
20 existing law, upon failure of any private owner of forest
21 land which is subject to a cooperative agreement entered into
22 pursuant to this Act to comply with the terms of such agree-
23 ment, or upon failure of any purchaser of timber or other
24 forest products from such land to comply with the terms and
25 conditions required by such agreement to be included in the

1 contract of sale, the Attorney General, at the request of the
2 Secretary concerned, is authorized to institute against such
3 owner or such purchaser a proceeding in equity in the proper
4 district court of the United States, to require compliance
5 with the terms and conditions of said cooperative agreement;
6 and jurisdiction is hereby conferred upon said district courts
7 to hear and determine such proceedings, to order compliance
8 with the terms and conditions of cooperative agreements
9 entered into pursuant to this Act, and to make such tempo-
10 rary and final orders as shall be deemed just in the premises.
11 As used in this section the term "owner" shall include the
12 heirs, successors, and assigns of the landowner entering into
13 the cooperative agreements.

14 SEC. 7. Whenever used in this Act, the term "federally
15 owned or administered forest land" shall be construed to
16 mean forest land in which, or in the natural resources of
17 which, the United States has a legal or equitable interest of
18 any character sufficient to entitle the United States to control
19 the management or disposition of the timber or other forest
20 products thereon, except land heretofore or hereafter reserved
21 or withdrawn for purposes which are inconsistent with the
22 exercise of the authority conferred by this Act; and shall
23 include trust or restricted Indian land, whether tribal or
24 allotted, except that the timber and other forest products on

1 such land shall not be sold without the consent of the Indians
2 concerned.

3 SEC. 8. The Secretary of Agriculture and the Secretary
4 of the Interior may severally prescribe such rules and regula-
5 tions as may be appropriate to carry out the purposes of this
6 Act. Each Secretary may delegate any of his powers and
7 duties under this Act to other officers or employees of his
8 Department.

9 SEC. 9. Nothing contained in this Act shall be construed
10 to abrogate or curtail any authority conferred upon the Secre-
11 tary of Agriculture or the Secretary of the Interior by any
12 Act relating to management of federally owned or admin-
13 istered forest lands, and nothing contained in any such Acts
14 shall be construed to limit or restrict any authority conferred
15 upon the Secretary of Agriculture or the Secretary of the
16 Interior by this Act.

17 SEC. 10. There are hereby authorized to be appropriated
18 for the purposes of this Act such sums as the Congress may
19 from time to time deem necessary.

Passed the Senate July 8 (legislative day, May 24),
1943.

Attest:

EDWIN A. HALSEY,

Secretary.

AN ACT

To promote sustained-yield forest management in order thereby (a) to stabilize communities, forest industries, employment, and taxable forest wealth; (b) to assure a continuous and ample supply of forest products; and (c) to secure the benefits of forests in regulation of water supply and stream flow, prevention of soil erosion, amelioration of climate, and preservation of wildlife.

SEPTEMBER 17, 1943

Referred to the Committee on Agriculture

to say about it. At a later date, when more information is available, I hope to have more to say about the English plan and the Treasury proposal for an international bank.

Secretary Morgenthau promised that before anything would be done he would come to the Congress and present a plan, because he thought it was only fair that he should come before the representatives of the people with his ideas. But the Congress will never learn of the secret agreements that are made or what is to be done by and between the international bankers under any plan cooked up in secret session by the financial wizards of the world. Secret understanding and plans kept under cover are dangerous to the future welfare of our country, and Congress should insist on having full information on arrangements being made at the present Treasury conference.

The SPEAKER pro tempore. The time of the gentleman from Minnesota has expired.

EXTENSION OF REMARKS

Mr. SPARKMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the Record and to include therein an editorial entitled "Religion, Labor, and the Common Good," by A. F. Whitney.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

[The matter referred to appears in the Appendix.]

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. FLOESER (at the request of Mr. MARTIN of Massachusetts) from September 20 to 22, inclusive, on account of official business.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 250. An act to promote sustained-yield forest management in order thereby (a) to stabilize communities, forest industries, employment, and taxable forest wealth; (b) to assure a continuous and ample supply of forest products; and (c) to secure the benefits of forests in regulation of water supply and stream flow, prevention of soil erosion, amelioration of climate, and preservation of wildlife; to the Committee on Agriculture.

S. 357. An act to authorize the presentation of a medal of honor to J. Edgar Hoover; to the Committee on the Judiciary.

S. 439. An act for the relief of Perkins Gins, formerly Perkins Oil Co., of Memphis, Tenn.; to the Committee on War Claims.

S. 715. An act to amend the act entitled "An act to provide for loans to farmers for crop production and harvesting during the year 1937, and for other purposes," approved January 29, 1937; to the Committee on Agriculture.

S. 789. An act to provide for the mailing of annual notices to owners of tax-exempt properties in the District of Columbia; to the Committee on the District of Columbia.

S. 881. An act to amend an act entitled "An act relating to the levying and collecting of taxes and assessments, and for other purposes," approved June 25, 1938; to the Committee on the District of Columbia.

S. 964. An act to provide for furnishing transportation in Government-owned automotive vehicles for employees of the Veterans' Administration at field stations in the absence of adequate public or private transportation; to the Committee on World War Veterans' Legislation.

S. 1223. An act to fix the compensation of the Recorder of Deeds of the District of Columbia and the Superintendent of the National Training School for Girls; to the Committee on the District of Columbia.

S. 1224. An act to designate the Public Library of the District of Columbia a public depository for governmental publications; to the Committee on Printing.

S. 1279. An act to amend the Servicemen's Dependents Allowance Act of 1942, as amended, so as to liberalize family allowances, and for other purposes; to the Committee on Military Affairs.

ADJOURNMENT

Mr. FOLGER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 31 minutes p. m.) the House, pursuant to its order heretofore entered, adjourned until Monday, September 20, 1943, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

708. A letter from the Under Secretary, Department of Agriculture, transmitting a report of a survey of the Washita River watershed in the States of Oklahoma and Texas, made by this Department, pursuant to the Flood Control Act of June 22, 1936 (H. Doc. No. 275); to the Committee on Flood Control and ordered to be printed, with illustrations.

709. A letter from the adjutant general, Grand Army of the Republic, transmitting the Journal of the Proceedings of the Seventy-sixth National Encampment, held at Indianapolis, Ind., September 13-18, 1942; to the Committee on Military Affairs and ordered to be printed, with illustrations.

710. A communication from the President of the United States, transmitting two supplemental estimates of appropriation, totaling \$8,000,000, for the fiscal year ending June 30, 1944, to remain available until expended, for the War Department for flood control (H. Doc. No. 274); to the Committee on Appropriations and ordered to be printed.

711. A letter from the acting president, Board of Commissioners, District of Columbia, transmitting a draft of a proposed bill to amend section 10 of the act of March 3, 1925, entitled "An act to provide for the regulation of motor-vehicle traffic in the District of Columbia, increase the number of judges of the police court, and for other purposes," as amended; to the Committee on the District of Columbia.

712. A letter from the Associate Director, National Park Service, Department of the Interior, transmitting a copy of Quarterly Estimate of Personnel Requirements; for the quarter ending December 31, 1943, covering the appropriation "Maintenance, Executive Mansion and Grounds," as provided in Independent Offices Appropriation Act, approved June 26, 1943; to the Committee on the Civil Service.

713. A letter from the Under Secretary, United States Department of the Interior, transmitting copies of revised estimates of personnel requirements, covering the quarter ending September 30, 1943, for various bureaus and offices of the Department of the Interior; to the Committee on the Civil Service.

714. A communication from the President of the United States, transmitting a supple-

mental estimate of appropriation for the Department of Justice for the fiscal year 1944, in the amount of \$40,000 (H. Doc. No. 273); to the Committee on Appropriations and ordered to be printed.

715. A letter from the Director, Selective Service System, transmitting the fourth monthly list of registrants who have been deferred because of their employment in or under the Federal Government, as of August 15, 1943, in accordance with the provisions of subsection C of Public Law No. 23 (78th Cong.), approved April 8, 1943 (list prepared from reports submitted in the continental United States and the territories of Alaska, Hawaii, and Puerto Rico); to the Committee on Military Affairs.

CHANGE OF REFERENCE

Under clause 2 of rule XXII, the Committee on Claims was discharged from the consideration of the bill (H. R. 2972) to suspend, as respects vessels of the Navy or in the naval service, certain provisions of the act approved March 3, 1925, authorizing suits against the United States in admiralty for damage caused by and salvage services rendered to public vessels of the United States, and to authorize the Secretary of the Navy to settle and pay claims for damages caused by vessels of the Navy or in the naval service, or for towage and salvage services to such vessels, and for other purposes, and the same was referred to the Committee on Naval Affairs.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. COLE of New York:

H. R. 3223. A bill to provide for reimbursement of officers, enlisted men, and others in the naval service of the United States for property lost, damaged, or destroyed in such service; to the Committee on Naval Affairs.

By Mr. DREWRY:

H. R. 3224. A bill to establish the grades of commissioned warrant officer and warrant officer in the United States Marine Corps, and for other purposes; to the Committee on Naval Affairs.

By Mr. MAAS:

H. R. 3225. A bill to amend the act of May 27, 1908, as amended, authorizing settlement of accounts of deceased officers and enlisted men of the Navy and Marine Corps; to the Committee on Naval Affairs.

By Mr. MALONEY:

H. R. 3226. A bill to establish a Department of Air Defense, to establish the United States Air Forces as a separate branch of national defense, and for other purposes; to the Committee on Expenditures in the Executive Departments.

By Mr. BARRY:

H. R. 3227. A bill to abolish the Office of War Information and transfer its functions to the Department of State; to the Committee on Expenditures in the Executive Departments.

By Mr. BATES of Massachusetts:

H. R. 3228. A bill to increase the number of midshipmen allowed at the United States Naval Academy from the District of Columbia; to the Committee on Naval Affairs.

By Mr. HEFFERNAN:

H. R. 3229. A bill to authorize the Secretary of the Navy to convey to the city of New York certain lands within the Brooklyn Navy Yard in the city of New York; to the Committee on Naval Affairs.

By Mr. VINSON of Georgia:

H. R. 3230. A bill to amend section 12 of the Naval Aviation Cadet Act of 1942; to the Committee on Naval Affairs.

By Mr. MAAS:

H. R. 3231. A bill to facilitate payment of unpaid retired pay of personnel of the armed services and to avoid needless clerical expenditures; to the Committee on Military Affairs.

By Mr. BARRY:

H. R. 3232. A bill to fix maximum rents in the New York City defense-rental area at the September 1, 1942, level; to the Committee on Banking and Currency.

By Mr. CELLER:

H. R. 3233. A bill to repeal the War Labor Disputes Act; to the Committee on Military Affairs.

By Mr. SASSCER:

H. R. 3234. A bill to amend the act approved January 16, 1936, entitled "An act to provide for the retirement and retirement annuities of civilian members of the teaching staff at the United States Naval Academy and the Postgraduate School, United States Naval Academy"; to the Committee on Naval Affairs.

By Mr. LYNDON B. JOHNSON:

H. R. 3235. A bill to authorize the transportation of dependents and household effects of personnel of the Navy, Marine Corps, and Coast Guard under certain conditions, and for other purposes; to the Committee on Naval Affairs.

By Mr. RANDOLPH:

H. R. 3236. A bill to provide aid to dependent children in the District of Columbia; to the Committee on the District of Columbia.

H. R. 3237. A bill to permit the granting of beverage licenses in the District of Columbia to service clubs of other United Nations; to the Committee on the District of Columbia.

H. R. 3238. A bill to amend section 14 of the act entitled: "An act to provide for commitments to, maintenance in, and discharges from the District Training School, and for other purposes," approved March 3, 1925, and to amend section 15 thereof, as amended; to the Committee on the District of Columbia.

By Mr. SUMNERS of Texas:

H. R. 3239. A bill to provide for the setting aside of convictions of Federal offenders who have been placed on probation and have fully complied with the conditions of their probation; to the Committee on the Judiciary.

H. R. 3240. A bill to amend title IX of the act of March 27, 1942, Seventy-seventh Congress, entitled "An act to further expedite the prosecution of the war," by adding a new section thereto providing free postage under certain conditions for persons serving in the armed forces of any foreign country with which the United States may be associated in the prosecution of war; to the Committee on the Judiciary.

H. R. 3241. A bill to implement the jurisdiction of service courts of friendly foreign forces within the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. MAY:

H. R. 3242 (by request). A bill to amend the act entitled "An act to authorize an increase of the number of cadets at the United States Military Academy and to provide for maintaining the corps of cadets at authorized strength," approved June 3, 1942 (57 Stat. 306); to the Committee on Military Affairs.

H. R. 3243. A bill to amend the second paragraph of section 10 of the Pay Readjustment Act of 1942; to the Committee on Military Affairs.

H. R. 3244. A bill to extend the benefits of the Soldiers' and Sailors' Civil Relief Act of 1940, in connection with the public lands, to certain persons serving in the merchant marine and to certain civilian workmen; to the Committee on Military Affairs.

By Mr. BUSBEY:

H. R. 3245. A bill amending title II of the Social Security Act to provide for credit-

ing service in the armed forces for old-age and survivors insurance benefits; to the Committee on Ways and Means.

By Mr. HARTLEY:

H. R. 3256 (by request). A bill to provide for increases in the rates of payments of salaries, compensation, pension, retirement benefits, social-security benefits, and other monetary benefits not based on specific contracts by 10 percent of the basic amounts thereof for each 10-percent increase in the cost of living, as compared with the index figure of the cost of living during the first half of 1940, to be computed for each 6-month period following enactment, to be put into effect, prospectively, as of the 1st of the fourth month after each such 6-month period, and for other purposes; to the Committee on the Civil Service.

By Mr. MURRAY of Wisconsin:

H. J. Res. 155. Joint resolution to permit the importation from Canada, free of duty, during a period of 90 days, of certain grains and other products to be used for livestock feed; to the Committee on Ways and Means.

By Mr. MILLER of Connecticut:

H. J. Res. 156. Joint resolution directing the Price Administrator to make effective immediately the provision of Public Law 729, Seventy-seventh Congress, entitled "An act to amend the Emergency Price Control Act of 1942"; to the Committee on Banking and Currency.

By Mr. TOLAN:

H. J. Res. 157. Joint resolution authorizing the President of the United States of America to proclaim Armed Services Honor Day for the recognition and appreciation of the patriotic devotion to duty of all members of all branches of the armed military and naval forces of the United States of America; to the Committee on the Judiciary.

By Mr. SAUTHOFF:

H. Con. Res. 37. Concurrent resolution to express the sense of the Congress that certain married servicemen on duty overseas be granted furloughs to visit their families; to the Committee on Military Affairs.

By Mr. JARMAN:

H. Con. Res. 38. Concurrent resolution authorizing the Committee on Naval Affairs of the House of Representatives to have printed additional copies of the hearings held before said committee on the resolution (H. Res. 30) authorizing and directing an investigation of the progress of the war effort; to the Committee on Printing.

By Mr. FARRINGTON:

H. Con. Res. 39. Concurrent resolution requesting the President to propose to the nations of the world the adoption of the Edwards Perpetual Calendar; to the Committee on Foreign Affairs.

By Mr. DOUGHTON:

H. Res. 301. Resolution providing additional compensation for the clerk of the Committee on Ways and Means so long as the position is held by the present incumbent; to the Committee on Accounts.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the Republic of Uruguay, memorializing the President and the Congress of the United States, with applause on the magnificent triumph of the cause of democracy; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CLASON:

H. R. 3246. A bill for the relief of Robert H. Wilder; to the Committee on Military Affairs.

By Mr. BECKWORTH:

H. R. 3247. A bill for the relief of Joseph Langhorne Walker; to the Committee on Naval Affairs.

By Mr. GAMBLE:

H. R. 3248. A bill granting a pension to Fannie J. Mann; to the Committee on Invalid Pensions.

By Mr. HOPE:

H. R. 3249. A bill granting a pension to Birdie Ann Mock; to the Committee on Invalid Pensions.

By Mr. HALE:

H. R. 3250. A bill to confer jurisdiction upon the United States District Court of Maine; to the Committee on Claims.

By Mr. HOCH:

H. R. 3251. A bill for the relief of Harry F. Gracey; to the Committee on Claims.

By Mr. JARMAN:

H. R. 3252. A bill granting an increase of pension to Grizelda Hull Hobson; to the Committee on Invalid Pensions.

By Mr. LESINSKI:

H. R. 3253. A bill for the relief of Clay Guthrie and Detroit Automobile Inter-Insurance Exchange; to the Committee on Claims.

By Mr. PITTEGER:

H. R. 3254. A bill granting a pension to Ernest Manley Gordon; to the Committee on Invalid Pensions.

By Mr. WOLVERTON of New Jersey:

H. R. 3255. A bill granting an increase of pension to Emma M. Devo; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2163. By Mr. BRYSON: Petition of Emily B. Stokes and 582 citizens of Woodbury, N. J., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

2164. Also, petition of Edna M. Souers and 516 citizens of New Philadelphia, Ohio, urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

2165. Also, petition of Zura Peck and 71 citizens of Meyersdale, Pa., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

2166. Also, petition of Jessie Ward Davis and 50 citizens of Patterson, N. Y., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration of the war; to the Committee on the Judiciary.

2167. Also, petition of W. L. Moody and 82 citizens of Wood River, Ill., urging enactment of House bill 2082, a measure to reduce absenteeism, conserve manpower, and speed production of materials necessary for the winning of the war by prohibiting the manufacture, sale, or transportation of alcoholic liquors in the United States for the duration

FORESTRY

HEARINGS

BEFORE

THE COMMITTEE ON AGRICULTURE HOUSE OF REPRESENTATIVES

SEVENTY-EIGHTH CONGRESS

FIRST SESSION

ON

S. 45

AN ACT TO AMEND SECTION 3 OF THE ACT OF JUNE 7, 1924
(43 STAT. 653; 16 U. S. C. 566)

S. 250

AN ACT TO PROMOTE SUSTAINED-YIELD FOREST MANAGEMENT IN ORDER THEREBY (A) TO STABILIZE COMMUNITIES, FOREST INDUSTRIES, EMPLOYMENT, AND TAXABLE FOREST WEALTH; (B) TO ASSURE A CONTINUOUS AND AMPLE SUPPLY OF FOREST PRODUCTS; AND (C) TO SECURE THE BENEFITS OF FORESTS IN REGULATION OF WATER SUPPLY AND STREAM FLOW, PREVENTION OF SOIL EROSION, AMELIORATION OF CLIMATE, AND PRESERVATION OF WILDLIFE

H. R. 1456

(SUPERSEDED BY H. R. 3848)

A BILL TO AMEND SECTION 9 OF THE ACT OF MAY 22, 1928, AUTHORIZING AND DIRECTING A NATIONAL SURVEY OF FOREST RESOURCES

DECEMBER 3, 7, AND 8, 1943

Printed for the use of the Committee on Agriculture



UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1943

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FORESTRY

FRIDAY, DECEMBER 3, 1943

HOUSE OF REPRESENTATIVES,
COMMITTEE ON AGRICULTURE,
Washington, D. C.

The committee met at 10 a. m., Hon. John W. Flannagan, Jr. (acting chairman) presiding.

The CHAIRMAN. The committee has before it at this time several forestry bills. I understand it is the pleasure of the committee to take up S. 45 first which is an authorization bill to increase the present authorization from \$2,500,000 to \$9,000,000 for the purpose of aiding the States and private timberland owners in protecting timber and so forth. I understand that the cost to do the right kind of job will be around \$18,000,000. Today we are spending upward of \$10,000,000 some of which has been put up by the Federal Government, and the balance contributed by the States and private owners.

We go on a 50-50 basis. That is, if we match the money that the States and the private owners put up, we will have to increase the authorization.

Mr. PHILLIPS. You mean that that is the amount that we spent for just this one conservation phase of the work.

The CHAIRMAN. I understand we will spend around \$10,000,000, is that right?

Mr. WATTS. Yes; it is somewhat more than that.

The CHAIRMAN. And the Federal Government contributed about \$2,500,000?

Mr. WATTS. Actually in the fiscal year of 1943 including the war emergency money, the Federal Government's contribution was about \$5,000,000.

The CHAIRMAN. \$5,000,000?

Mr. WATTS. Yes; and the States and the private cooperators, their cost was between \$9,000,000 and \$10,000,000.

The CHAIRMAN. Your present authorization is only \$2,500,000?

Mr. WATTS. That is right.

The CHAIRMAN. Now, I would like to have Mr. Lyle F. Watts, who is the Chief of the United States Forest Service, come around.

STATEMENT OF LYLE F. WATTS, CHIEF, UNITED STATES FOREST SERVICE

Mr. HOPE. Mr. Chairman, I am not familiar with the work that has been done under this authorization and I would like to have the position of the Forest Service stated.

The CHAIRMAN. I will ask Mr. Watts to make a general statement, giving us a bird's-eye view of just what has been done to the \$2,500,000 that has been appropriated.

Mr. WATTS. I will be glad to do that.

Mr. Chairman and members of the committee, the principle of financial aid in the protection of State and privately owned forest land was first established by the Congress in 1911 when the so-called Weeks' law was passed. That principle was broadened and strengthened in 1924 when the Clarke-McNary law was passed, and it is the authorization for the Clarke-McNary law which we are discussing this morning.

The amount of authorization under the Clarke-McNary law is \$2,500,000, whereas the most careful estimates that the State, private, and Federal forest protection agencies have been able to work out is that the total cost of giving adequate protection to the State and privately owned lands would be something more than \$18,000,000, based on costs that were in effect prior to the war.

Mr. GILCHRIST. I wish you would just say in a few sentences if you can, just what the Clarke-McNary law is and what it is like.

Mr. WATTS. The Clarke-McNary law was the law which provided for cooperation with the States in protecting forest land from forest fires, and there is one other section having to do with the distribution of forest seeds and planting stock; supplying that to farmers.

Another section had to do with forest extension education for farmers, and one section contained authority to study forest taxation and insurance. We are interested this morning in section 3 because it contains the limiting authorization on Federal appropriations for the protection of the private- and State-owned lands from forest fires.

The CHAIRMAN. Well, the Clarke-McNary bill only covers State and privately owned land.

Mr. WATTS. That is correct. Now Congress has recognized for a good while the need for greater participation by the Federal Government in this very important activity.

The Joint Congressional Committee on Forestry which reported to the Congress in 1941, after a very careful study, recognized that need and recommended for this particular activity a large increase in Federal participation representing half of the cost of adequate protection for that land. Beyond that, right at the present time, for the past 2 or 3 years, Congress has recognized the need for greater Federal participation through special appropriations in excess of the \$2,500,000 limitation.

The CHAIRMAN. Well, now, Mr. Watts, the only thing this bill does is to increase the authorization from \$2,500,000 to \$9,000,000?

Mr. WATTS. That is right.

The CHAIRMAN. Then it would be up to the Appropriations Committee to determine what amount would be appropriated.

Mr. WATTS. That is right. The point that I wanted to bring out was that in the fiscal year 1944, the Congress has actually appropriated \$6,300,000 but that amount exceeds the present authorization by \$3,800,000. It would seem logical to increase the authorization so that the annual appropriation would have the necessary legislative authorization and not be dependent upon legislation in the appropriation act.

The CHAIRMAN. Well, they say that the Federal Appropriations Committee has a right to make legislation.

Mr. WATTS. That has happened.

The CHAIRMAN. And they are trying to work out a bill now to give the proper authorizations on all of these items.

Mr. WATTS. You might want to know what progress we have made with this law over the years.

Mr. ANDRESEN. May I ask a question before you go into that?

Mr. WATTS. Yes.

Mr. ANDRESEN. This S. 45 adds on an amendment to existing law which provides for a study of the effect of tax laws, methods, and practices upon forest perpetuation to cooperate with appropriate officials of the various States, or other suitable agencies.

The CHAIRMAN. That is the present law.

Mr. WATTS. That is the present law; yes.

Mr. ANDRESEN. At the top it states, "is amended to read as follows." Now, what change has been made? What is the need for it? The only thing now before us is the amount of authorization.

Mr. WATTS. That is correct.

The CHAIRMAN. Yes.

Mr. ANDRESEN. Then I would like to ask you this: How long has this study of the tax laws of the various States been going on, and will it ever come to an end?

Mr. WATTS. Well, Congressman Andresen, it has been going on since shortly after the Clarke-McNary law was passed. Frankly, I suppose there will always be a need for a study of the problem as complex as the question of equitable forest taxation.

As you know, it is a very difficult problem and it has been approached just on the basis of a national study, and in those States which desired aid. As a matter of fact, our men that were working on taxation were recently transferred to another Federal agency and we are not doing much active work on it now, but I think the need for it will continue.

The CHAIRMAN. Does not the other bill provide for one-fourth of the proceeds of the sale of timber to the county units and the State units?

Mr. WATTS. That is correct, Congressman Flamagan. That has to do with the receipts from the sale of timber of national forests, but Congressman Andresen was asking about the study of taxation of privately owned and State-owned forest land.

Mr. ANDRESEN. Then, as I understand it, the only changes in the proposed bill would be in the amount?

Mr. WATTS. That is correct.

Mr. ANDRESEN. Increasing the amount?

Mr. WATTS. Increasing the amount.

Mr. ANDRESEN. From what figure to \$9,000,000?

Mr. WATTS. From \$2,500,000 to \$9,000,000?

Mr. HOPE. On that point, I would like to ask you to tell me this if you can, how much of this appropriation of \$2,500,000 has been expended for the activities outlined in section 3? I assume that has been a comparatively small part of the \$2,500,000 appropriation; is that correct?

Mr. WATTS. Section 3 is the tax section.

Mr. HOPE. That is what we are amending here.

Mr. WATTS. \$45,000 a year.

Mr. HOPE. \$45,000 a year?

Mr. WATTS. Yes.

Mr. HOPE. That is a very minor item.

Mr. WATTS. Yes.

Mr. HOPE. For the expenditures under the original Clarke-McNary Act?

Mr. WATTS. That is right. Perhaps you would like to know of the progress we have made over the years.

In the year 1912, that was the year after the Weeks law which preceded this law was passed, 11 States cooperated with the Federal Government in the job of protecting the land from fire. Sixty million acres of land were given protection. The Federal appropriation was \$51,000. State and private expenditures were \$237,000.

In 1925—that is the next year after the Clarke-McNary law passed—29 States cooperated in protecting 143,000,000 acres. The Federal expenditure was \$399,000 and State and private expenditures were \$1,844,000.

In 1943, 42 States and Hawaii cooperated under the law in protecting 291,000,000 acres and the Federal expenditure, including expenditures from the war emergency appropriation of slightly more than \$1,000,000, was \$5,026,000. The State and private expenditures were \$9,127,000.

There is every reason why the Federal Government should participate to the extent of 50 percent in this activity. In the first place, the public has a great deal at stake and many of those benefits which flow to the public from protecting this land have only incidental benefit to the private owner.

A few of those benefits to the public are that we protect the national welfare and forest resources. Second, by protecting this land we increase the water flow for domestic and commercial usage and for navigation and water power.

Three, by protecting this land we alleviate floods, soil erosion, silting of streams and reservoirs.

Four, we improve the recreational opportunities for our people and provide a better habitat for wildlife and for fish.

Now, all of these things are of tremendous public importance but they are only incidental so far as the land owner is concerned. Even more important as a justification for greater Federal participation is the fact that most of the fires which start on private land are started by people who go onto the land rather than by the landowners themselves. I mean that tourists and hunters and so on, are responsible for about 50 percent of the fires, and that ought to be a public obligation.

Mr. PACE. Do you have a copy of the Clarke-McNary Act?

Mr. WATTS. Not of the act. I have only a copy of the amendment.

Mr. PACE. May I have the amendment?

Mr. WATTS. Yes [handing document to Mr. Pace]?

Mr. GRANGER. In what way besides fire protection is this bill applicable? What does the Forest Service do? You spoke of erosion and the silting of navigable streams and so forth. How is that protection carried on? What do you do to protect the public in that regard?

Mr. WATTS. Well, Mr. Granger, there are a great many ways. I am sure you know, as a member from Utah, the tremendous importance of the protection of our watersheds, and it has long been proved that if we have a satisfactory vegetative covering on the land, it does have a very great influence on the rate of run-off of water from

the land and on the amount of erosion. The work that Mr. Reed Bailey has done in Utah has proved that.

Of course, one of the other means is through the control of grazing use, and another way is through such work as that which has been done on a mountain back of Farmington, where we have put in some engineering works and done terracing of the slopes. Destructive floods have been stopped there.

Mr. GRANGER. Also the extent of protecting the water which lies in between the communities up there?

Mr. WATTS. That is correct. Actually, the question of adequate fire control of State and private forest lands is basic to any satisfactory forestry program in this country. During the past summer, the early past summer, I took a trip down to Florida. I traveled from Lake City to Tallahassee, and almost all of the way on that trip of several hundred miles, the area had been burden over last spring, and very little of that was under any type of organized fire protection. Just this week I have been down in Virginia and have seen great areas that have been burned over there in the coastal plains and lower Piedmont area. The State forester showed me those areas, one of them 12 miles long and a mile wide, and two other areas about as bad, where everything had been killed. Obviously, the incentive for private owners to attempt a long-time business with that threat hanging over them is not very good. It is of tremendous importance that the Federal Government meet its full share of his obligation.

As a matter of fact, 137,000,000 acres of forest lands in this country are given no organized protection against fire. Whatever protection this land gets is just incidental, and it is our hope that gradually, with this authorization raised to the full 50 percent of the cost of adequate protection, over a period of a few years and as fast as the States are able to match the Federal Government's share, we will be able to catch up with the fire-protection job. Some of the States, as I am sure you will be told later on, have already been spending very much more than the Federal Government spends for this job.

Mr. HOPE. Let me ask you a question right there. What do you think the effect of this increase in appropriation will be as between the following alternatives? Will it mean that there will actually be more money spent and more work done or will it mean that the States will cut down their participation and depend to a larger extent on Federal appropriation?

Mr. WATTS. I haven't the slightest thought that that will happen. Every indication is that the States will not reduce their share. In many of the States already they have appropriated money far beyond the Federal contribution and I would expect them to continue to do so, and in many of the heaviest timber States, it is my opinion that the local people, the State people and the industry, will want to go along with their own money, away beyond the level set by the \$18,000,000.

The CHAIRMAN. Well, would the Federal Government, under the Clarke-McNary law, put up more than 50 percent?

Mr. WATTS. No.

The CHAIRMAN. That is what I thought.

Mr. WATTS. But what I am getting at is that I think in States like Washington and Oregon, the States in the Pacific Northwest, the

Federal Government under the Federal law, can only put up 50 percent; 50 percent of what we consider to be the cost of adequate protection.

Mr. HOPE. The reason I asked that question is not because of any information I had on this particular subject.

I do not pretend to know what the States have been doing, and what they might do if we increase this appropriation, but I do know in connection with other matters where there is State and Federal participation, that in some cases, where the Federal Government puts up more money, the States cut down their appropriation by an equal amount, thus throwing a greater burden on the Federal Treasury without any increased results. The fact is that a lot of States today are in a much better position to carry on these activities than they have ever been previously.

The CHAIRMAN. But don't you think that the provision requiring an equal amount from the States takes care of that?

Mr. HOPE. Well, I think in the main it would certainly help keep that thing from happening but, at the same time I am getting a little irritated, I might say, by getting letters from people in the States telling how efficiently the State governments are being conducted, telling how much they cut down their expenditures and how much they are saving, and criticizing the Federal Government for wasting money, and that sort of thing. When you come to analyze it, all that has happened, is that they have been cutting down their appropriations because the Federal Government at their request has been increasing its appropriations.

The CHAIRMAN. I don't believe it applies to this situation.

Mr. WATTS. I don't believe it does.

Mr. GILCHRIST. I don't think it appears, Dr. Watts, from what you said, that you can only spend 50 percent, an equal amount to what the State spends. You have stated it to be 50 percent of what they think is necessary. Well, that does not mean that the State has got to put up the other 50 percent. Is that definitely in the law?

Mr. WATTS. Yes.

Mr. GRANGER. They cannot spend a dollar unless the State puts up another dollar?

Mr. WATTS. That is right.

Mr. PACE. Get that clear, that is State and private owners.

Mr. WATTS. Yes.

Mr. PACE. We have sometimes put in a saving clause on the point you are making by simply having included "in no event less than the contribution which was made during the year 1943," which would prevent a cut-back by the State.

Mr. HOPE. I think that would be all right.

Mr. ZIMMERMAN. As I understand it, it is comparable to the money that the Government puts up to match building of roads, where the State puts up an equal amount to get Federal aid.

The CHAIRMAN. Yes.

Mr. ZIMMERMAN. Along the lines of Mr. Hope's observation, the other day I received from a member of our State constitutional convention that is in session now, a letter, wherein he said they submitted a provision for the approval of the constitutional convention which would prevent the State from receiving any gift, bonus, or help from

the Federal Government in any sum whatsoever. In other words, completely divorcing the State from financial aid from the Federal Government.

Mr. WATTS. Congressman Zimmerman, you need fire protection money in Missouri, either Federal or State.

Mr. ZIMMERMAN. I am just trying to emphasize the point that Mr. Hope said that he was getting a lot of letters.

Mr. HOPE. Of course, that is going to the other extreme.

Mr. ZIMMERMAN. But it does show a trend or tendency on the part of people in some states. I told them it would be suicidal, it would be foolish, for example, in a program like a road-building program. Missouri would not have had such fine roads as it does except for the aid from the Federal Government.

I want to say that, as a member of the Flood Control Committee, for several years, we made a very exhaustive study of the causes of floods and we came to the conclusion that the whole problem of flood control, the problem of erosion, the lack of water supply in certain sections, all of those were tied up with the problem of our forests. In other words, the tree butcher that has denuded the forest and the failure to plant back left our great areas exposed, and the rapid runoff of water deprived all those sections of water. Springs dried up and whole areas became dry, and there were terribly damaging floods, and the whole thing is tied up in this flood-control program.

Mr. WATTS. That is correct.

Mr. ZIMMERMAN. In other words, you make a report and the Department of Agriculture makes a report, and I think it is one of the most constructive pieces of legislature that has ever been passed, and in times to come, it will help solve these problems. It helps to retard the flow of water and I think this is one of the greatest programs that has ever been undertaken, and I want to express my approval of the fine work which the Forest Department has done, and the co-operation that has been given. They taught the local people and the states how to work to the best advantage of the general public.

Mr. WATTS. Mr. Chairman, I do not intend to take up a lot of your time. This question was given very deep study by the joint congressional committee under the leadership and guidance of Mr. Fulmer who, unfortunately, is not here. They found that action such as is recommended this morning is desirable.

The department and the Forest Service have consistently recommended that the authorization under the Clarke-McNary law be raised to a point where Congress, without special legislative language, would be able to appropriate sufficient money for matching the amount the states had provided, so needed for adequate protection.

Mr. PACE. Let me say first that I regret Mr. Fulmer's health is such that he could not be here, because he has given so much of his life to the work being done by your department.

Mr. WATTS. That is right.

Mr. PACE. Covered under this act.

Mr. WATTS. That is right.

Mr. PACE. I notice that there are separate provisions in the act providing seed and plants, and also separate provisions, providing for aid to individual owners, each of \$100,000.

Now, have you made any requests for the increase of those funds?

Mr. WATTS. We haven't. The report of the Forest Service to the joint congressional committee made some recommendations but, at this time, we are only considering the most urgent need covered in this Clarke-McNary Act, and that is for adequate fire protection for State and privately owned land. I mean, that is basic to any forest conservation.

Mr. PACE. I assume the department approved this request.

Mr. WATTS. They have.

Mr. PACE. Now, this section 3 also authorizes the expenditure of funds for the plan of insurance on various lands. Has any progress been made on that program?

Mr. WATTS. I hope you gentlemen realize that I have only been Chief of the Forest Service for a few months. I have been a field man before that time and therefore, some of these questions I am not familiar with, but I do know that a very careful study was made of the question of insurance of private forest lands against fire. It may be a field in which private capital such as insurance companies will not care to venture very far. They have done so, I believe, in only a few instances.

Mr. PACE. Why can't the owners establish their own mutual co-operative? I don't like to see the Federal Government going into that.

Mr. WATTS. Well, I am not a student of insurance. Certainly, if the private owners or the present insurance companies can see a field there for private capital, it should be handled that way.

The CHAIRMAN. Well, insurance is not involved in this bill, is it?

Mr. WATTS. Not at all.

Mr. PACE. Yes, it is.

Mr. ZIMMERMAN. May I make an observation, Mr. Pace?

Mr. PACE. Yes.

Mr. ZIMMERMAN. I believe you want to say something, Mr. Chairman.

The CHAIRMAN. We never have appropriated any money for insurance.

Mr. PACE. You estimated this \$2,500,000 for a study of the land.

Mr. WATTS. That was simply for fire prevention and the protection of the land from fire, that \$2,500,000, with some of it out for taxation studies.

Mr. PACE. But this is "to investigate and promote practical methods of insuring standing timber on growing forests from losses by fire."

The CHAIRMAN. Well, to protect it.

Mr. GILCHRIST. Does not the gentleman think he has misconstrued the meaning of the word "insurance"?

Mr. PACE. I thought at first I had, but after reading further, I think it is clearly a matter of fire insurance.

Mr. WATTS. As a matter of fact, Mr. Congressman, out of this law was financed the salary of one man and a clerk, and perhaps a little bit more to make the study of the possibility of insurance for private-owned land or State-owned land.

Mr. PACE. The thing I was objecting to was this waiting until the Federal Government comes into the field. The Federal Government has been in the field on crop insurance and is now getting out of it, and I had hoped that that would be a signal to you to promote

a mutual cooperative among the people, and not wait for the Federal Government to get into a private field.

Mr. WATTS. There is no immediate intention of going into that field.

Mr. GILCHRIST. There is no plan to insure Federal forests.

Mr. WATTS. No, and we are not proposing in this legislation to insure private land.

Mr. GILCHRIST. But this study of insurance only relates to privately owned land?

Mr. WATTS. Yes; to determine whether any kind of fire insurance is feasible.

The CHAIRMAN. But that is not in this bill?

Mr. WATTS. No; that is not modified by this bill.

The CHAIRMAN. Now, Doctor, do you desire to file with the committee a further statement?

Mr. WATTS. Yes; possibly.

The CHAIRMAN. If you do, we will be glad to have it printed for the record.

Mr. WATTS. Thank you.

Mr. PHILLIPS. There was a question asked by Mr. Zimmerman and which has been answered, and that, as I understand it, is that for every dollar of the \$45,000 there has been a matching appropriation of an equal amount of dollars by some State or by private interests. That is, from the beginning it has been a matching appropriation; is that correct?

Mr. WATTS. That is correct.

Mr. PHILLIPS. Then, is this applied equally to private land, to State land, and to Federal land?

Mr. WATTS. No. This applies only to State and private land.

Mr. PHILLIPS. Only to State and private land?

Mr. WATTS. Yes. The Federal lands are protected through funds which Congress appropriates for that purpose.

Mr. PHILLIPS. Now, in connection with State lands, do the respective State governments have anything to say about policy or about the conduct of the investigation, and so forth?

Mr. WATTS. The carrying on of the work, you mean?

Mr. PHILLIPS. Yes; the carrying on of the work, Mr. Watts. I mean how it is being done and what is being done.

Mr. WATTS. The money is allotted to the State and then the State forest service, or some similar State agency, administers the protection program. We simply inspect to see that the Federal requirements are lived up to.

The people are under the employ of the State, and we do not administer the program.

Mr. PHILLIPS. In the program that is being carried on, and we are talking about at the moment, there is no planting or anything of that sort involved?

Mr. WATTS. No.

Mr. PHILLIPS. This is just a study of the situation and the possibility of beating the fire hazards?

Mr. WATTS. This is Federal participation in the actual protection of the State and private lands against fire.

Mr. PHILLIPS. I thought this was an investigation of how it is to be done.

Mr. WATTS. No; actual participation in doing the work.

Mr. PHILLIPS. Now, in connection with the investigation, as you know, we have had a very serious problem of loss of forests by reason of taxes in the first and second districts of California. Have any reports been issued that that would cover that issue?

Mr. WATTS. Possibly that was presented to the joint congressional committee.

Mr. PHILLIPS. Thank you.

The CHAIRMAN. Now, Mr. Poage has a question.

Mr. POAGE. I have to confess I came in late and I am sorry to take the time of the committee, but Mr. Phillips' question shows that there are others that do not understand what I fail to understand. From the propaganda that I received about this bill, I have understood it was legislation to authorize the Federal Government to help the States prevent forest fires and to protect our forests.

Mr. WATTS. That is correct.

Mr. POAGE. To that I do not think there is any serious opposition, but when I read this bill, I can't see a thing in the world in it that provides for anything except an authorization for \$9,000,000 to carry on a study.

Mr. WATTS. The original Clarke-McNary Act authorizes the Federal Government to appropriate \$2,500,000 a year to aid the States in protecting State and privately owned land from fire. Over the years, that has been found to be entirely too small a share for the Federal Government.

Mr. POAGE. I understand that.

Mr. WATTS. And it is proposed to authorize appropriations up to \$9,000,000.

Mr. POAGE. But I still do not understand, and Mr. Pace calls my attention to the fact that this is part of a general bill which I understand, but all this does, as I see it, is to amend section 3 of the act of June 7, 1924, and it is amended to read as follows, and then it amends it so the Secretary of Agriculture can spend \$9,000,000, "To carry out the provisions of sections 1, 2, and 3 of this act." In other words that would include 1 and 2 as well as 3.

Mr. PACE. That is right.

Mr. WATTS. But if you will look at the last line on the second page you will see what the purpose of it is.

The CHAIRMAN. Mr. Watts, there has been some misunderstanding among the members of the committee as to just what S. 45 will do. Let me see if I am correct in making this statement.

Under the Clarke-McNary bill, an authorization of \$2,500,000 was made for the purpose of assisting in protecting State and private lands.

Mr. WATTS. That is right.

The CHAIRMAN. And private lands in fire protection.

Mr. WATTS. That is right.

The CHAIRMAN. Now, under the original bill, when the Federal Government put up a dollar the State or the individual owner of the forest had to put up a dollar?

Mr. WATTS. That is right.

The CHAIRMAN. Now, all this bill does, as I understand it, is to increase the authorization.

Mr. WATTS. That is right.

The CHAIRMAN. From \$2,500,000?

Mr. WATTS. To \$9,000,000.

The CHAIRMAN. From \$2,500,000 to \$9,000,000; is that correct?

Mr. WATTS. That is correct.

Mr. PACE. In that connection, in order to avoid the confusion existing in this committee, and much greater confusion that would exist on the floor, if the bill were reported out like it is now, wouldn't it be the smart thing to change the bill by simply striking \$2,500,000 and inserting \$9,000,000? Then it would be apparent that the bill had only one purpose and there would not then be confusion with regard to amending the tax laws and so on.

Mr. PHILLIPS. You mean just change the printing of it so it will show that?

Mr. PACE. Report out a new bill, so in section 3 we could strike \$2,500,000 and insert \$9,000,000.

Mr. HOPE. Right there you get into a very controversial matter as to legislative draftsmanship. I think this is the preferable way because when you read this you know what the law is. Now, if you say that the authorization under section 3, under such-and-such an act, has been increased to \$9,000,000, everybody has to hunt up the act and see what has been done. If you leave it this way, everyone knows what has been done.

Mr. PACE. The point I am making is that not one dollar is requested for section 3. Every dollar is requested for section 2, which is not shown in the bill.

Mr. HOPE. That is true but, nevertheless, I think there would be less confusion if you followed this procedure, rather than bring in a bill which does not relate to this particular act or anything else except by reference. That is what we would have to do if we brought in another bill.

Mr. GRANGER. Mr. Chairman, I would write in sections 1 and 2 in the bill to make all this clear.

Mr. HOPE. That would be superfluous, and anyway, I think the report can cover that.

The CHAIRMAN. Suppose we get into the phraseology when we are in executive session. We have a number of witnesses that I would like the committee to hear.

Mr. GILCHRIST. I wanted to know about this tax business here. This is the study of the tax law.

Mr. WATTS. This bill is not intended to affect that portion of the bill. This amendment has to do only with increasing the authorization for cooperating with the States in the protection of land from fire.

Mr. GILCHRIST. Then why is that tax suggestion in this bill S. 45 when it refers to an appropriation? It says it is deemed advisable to study the effect of the tax law. Of course, the Federal Government cannot impose taxes on lands privately owner or State-owned land.

Mr. WATTS. Surely.

Mr. GILCHRIST. Now, wherein, I ask then, does this tax idea relate to either this bill or the Clarke-McNary bill?

Mr. WATTS. The Clarke-McNary Act, in its reference to taxation, authorized study of forest tax methods. Not to bring about any Federal taxation, but to assist the States in working out some equitable methods of forest taxation.

Mr. GILCHRIST. Of course, the States would have to do that; we can't do it.

Mr. WATTS. That is right. All we would do is to assist them through whatever facilities we had in making the study of the proper methods.

Mr. GILCHRIST. What is the matter with the tax laws of the several States now?

Mr. WATTS. Well, I am sure that many of them are satisfactory but, in general, there has always been a great deal of discussion as to whether the usual property-tax system applies particularly well to a crop, the harvest of which is deferred for a good many years. It is a very difficult proposition.

Mr. GILCHRIST. That is exactly it; I would like to know why. Now, that seems a sensible item that you just mentioned. I would like to know about it.

The CHAIRMAN. Mr. Gilchrist, as I understand it, there is no thought that the McNary legislation contained a provision authorizing the Federal Government to make a study of the proper method of taxing these lands where we are getting very little return.

Mr. WATTS. From any land.

The CHAIRMAN. Or practically no return, and that is the only reason that appears here. They just repeated section 3 and the only thing from the Clarke-McNary bill that is applicable is to increase the authorization from \$2,500,000 to \$9,000,000.

Mr. HOPE. Mr. Chairman, may I say something?

The CHAIRMAN. Mr. Hope.

Mr. HOPE. You have, no doubt, got together some figures in justification for an increase in this authorization to \$9,000,000. What is the basis for asking for that particular amount? I mean, why is it 9 instead of 10 or 6 or 11 or something else?

Mr. WATTS. The Federal Government and the States and the private agencies having to do with the protection of forest lands from fire have given very careful joint study to this problem and have reached the conclusion from these studies that the total cost of adequate fire protection would be about \$18,000,000. That was based on cost prior to the war when the study was made. For reasons which I gave here earlier, it is the opinion of all agencies concerned and of the Congress in passing the Clarke-McNary laws, that the equitable portion of that cost for the Federal Government would be half, on the basis that they would match the State dollar for dollar.

Now, I doubt that you could get out a very scientific formula for arriving at the half. That is primarily a matter of judgment.

Mr. HOPE. Now, is there \$18,000,000 now being spent by the States and the Federal Government?

Mr. WATTS. No; because there are 137,000,000 acres that are not being given protection at all, and much that is protected is not up to a very satisfactory standard.

The last year the State and private agencies spent something more than \$9,000,000, and the Federal Government about \$5,000,000.

Mr. HOPE. If we pass this legislation, then you expect to come before the Appropriations Committee with a budget that will call for \$9,000,000, do you?

Mr. WATTS. Not immediately. We would expect to gradually build up the Federal share over a period of years because in any State we could not go faster than the State goes. If adequate protection, let us say, in a State was \$200,000, we will just use round figures, but the State only appropriated \$50,000, then under the law we would not be permitted to spend more than \$50,000, and we would have to gear our increase to that.

Mr. HOPE. What do you estimate that you would ask for the first year that this law might be in operation?

Mr. WATTS. That will depend on the extent to which the States made funds available for fire protection, and it might take perhaps 5 years to get up to the \$9,000,000 cost to the Federal Government.

Mr. HOPE. Now let me ask you about the excess over \$2,500,000 which has been appropriated and spent by the Federal Government for this purpose. That is the difference between the \$2,500,000 and the approximately \$5,000,000.

Mr. WATTS. Yes, in 1943.

Mr. HOPE. Which you mentioned.

Mr. WATTS. Yes.

Mr. HOPE. Has there been a requirement in the appropriation bill that that be matched by the States?

Mr. KOTOK. If I may answer this question. In the fiscal year 1943, all Federal funds available for the protection of State and private land required matching. In the fiscal year 1944, the Congress authorized the expenditure of \$2,300,000 without matching out of a total appropriation of \$6,300,000. This proviso was added in recognition of the fact that in certain areas a degree of protection was required for national security reasons, which was essentially not a State responsibility.

For example, the Dismal Swamp in Virginia, the coastal areas on the coast that the Army wished to protect, some of which is not forest land, was handled without matching by State funds.

Mr. PACE. Along the point made by Mr. Hope, would you have any objection to the insertion of this language in the appropriate place in the act:

Provided no amount shall be expended by the Federal Government under this act in any State during any fiscal year where the amount expended during such fiscal year is less than the amount expended by the State for the same purposes, including the expenditures of the forest owner during the year 1943.

The CHAIRMAN. That is just a repetition of what is in the bill.

Mr. PACE. No; it is not a repetition.

The point was made that there might be some States that would take advantage of an increased Federal appropriation and decrease their contribution.

The CHAIRMAN. You can't do it under the Clarke-McNary law. For every dollar that the Federal Government puts up, the State Government has to match that dollar.

Mr. PACE. The point that has been made is that previously if the State put up \$2 and the Federal Government a dollar, and the Federal

Government increased their contribution and the State decreased their amount, then the proportion would be one to one instead of two to one. This bill should not be for the purpose of relieving the States of their present contribution.

The CHAIRMAN. It looks to me as though you are getting into a mess. Under the present law it takes dollar for dollar. We can't say to the States that they have to put up more than the dollar. We can say to the States that they have to put up a dollar before they get a Federal dollar.

Mr. WATTS. I believe that is right.

Mr. VOORHIS. I would like to ask Mr. Pace. Would not the effect of your amendment be to put a further limitation on it so if a State reduced its appropriation for its forestry purposes, then it could not take advantage of this Federal money, even to the extent of a matching amount? Am I right?

Mr. PACE. If a State had been contributing \$500,000 and the Federal Government had been contributing \$250,000, under this amendment the Federal Government's contribution could be stepped up, say, to considerably more than \$200,000.

The CHAIRMAN. Well, the Federal Government today can go up to \$500,000 under the Clarke-McNary Act.

Mr. HOPE. If they have the money.

The CHAIRMAN. If they have the money.

Mr. PACE. That is right.

The CHAIRMAN. You are just confusing it by the addition of an amendment.

Mr. HOPE. I think Mr. Pace has a very important point, and I am not prepared to say that I would be against his amendment. That is a thing that I think the committee ought to consider, some States are better able to appropriate money for this purpose than other States are, and they have been doing it. They have been appropriating more than the 50 percent they are required to under the Clarke-McNary Act. If they have been doing it, they should continue to do it in the same proportion that they did before. I don't think we should pass legislation here that would simply permit them to shift that burden back to the Federal Government.

Mr. VOORHIS. Will you yield for a question?

Mr. HOPE. Yes.

Mr. VOORHIS. Does that mean that if a State has been contributing \$3 for every dollar from the Federal Government, in the future, in order to take advantage of it, it would have to continue in the same ratio?

Mr. HOPE. No; not in the ratio but in the amount.

Mr. VOORHIS. In other words, if a State had appropriated \$2,000,000 in the past, with a Federal contribution of say \$1,000,000, then under the terms of the Pace amendment, they would be able to get up to \$2,000,000 without changing their appropriation?

Mr. PACE. Yes.

Mr. VOORHIS. But if they new reduced their amount below \$2,000,000 then they could get no more Federal money at all. Is that correct?

Mr. PACE. It means that the State's expenditures must be the amount they were in 1943.

Mr. VOORHIS. Up to the total number of dollars that they were?

Mr. PACE. That is right.

The CHAIRMAN. Suppose we get back to the question that the committee has before it.

Mr. WATTS. If I could say a word, Mr. Flannagan.

Mr. HOPE. I would like something further on it.

Mr. WATTS. It seems to me that the suggested amendment would lead to a good deal of confusion and it would lead to a good deal of uncertainty as to what you mean by matching State money. I mean, in the one instance, in effect we might be saying that in one State we will spend \$1 of Federal money for a dollar and a half or \$2 because they would always have to keep ahead, wouldn't they?

Mr. PACE. No; it has no such meaning.

Mr. WATTS. It would have no such meaning?

Mr. PACE. No.

Mr. WATTS. Well, it would seem to me that the law, as it stands, is simple and we haven't had any indication that I know of, of States backing up on maintaining their contributions in fire protection.

Mr. POAGE. Well, they have had that experience in regard to roads. The Federal Government spends more money than anyone else on the roads.

Mr. WATTS. Yes.

Mr. POAGE. We have had the experience in the matter of backing up in connection with the roads, and to prevent that, for a number of years we have been writing into the act, the road-aid law, a provision that the State will lose its aid if it diverted money that had come to the road fund by some other use, and some States have temporarily lost their entire Federal matching because they simply unloaded on the Federal Government, rather than maintain the same obligation that they had carried on previously.

Mr. WATTS. During the war, certain States have really spent a lot of money for this particular activity and we might find ourselves being very unfair to those States who had gone all out in fire protection. We might find ourselves being very unfair because much of the increases because of the war might be discontinued by the State and they could not be forced to continue to do it after the war emergency.

Mr. POAGE. Wouldn't it be equitable to say that we should go back to 1941? That they should not match with them unless the State continues to put up the same amount of money that it put up in 1940 or 1941?

Mr. WATTS. Well, actually, Congressman Poage, you are asking a question that I haven't given much thought to. I am not too certain about it.

The CHAIRMAN. I think the committee ought to go into executive session as to the phraseology. We want to get as much information on the bill as possible and we have all these witnesses here this morning. Mr. Gilchrist has one question he wants to ask.

Mr. GILCHRIST. I would like you to clear this up for me.

Suppose we should pass this law, then some State greedily appropriates \$6,500,000 for the one State. That is the full amount of our extra appropriation, from \$2,500,000 to \$9,000,000. Then, under the law, we would have to appropriate \$6,500,000.

Mr. WATTS. No.

Mr. GILCHRIST. And the other States would not get anything. Is that provided for in the bill?

Mr. WATTS. Well, no State could obtain a Federal allotment in excess of 50 percent of the estimated cost of adequate protection, as agreed upon in an appropriate agreement between the State authorities and the Secretary of Agriculture. This precludes allotments to States for help beyond 50 percent of the cost of adequate protection.

The CHAIRMAN. Now, the next witness is Mr. Fred C. Pederson, State forester of Virginia. I would like to present Mr. Pederson to the committee. I have known him for a number of years. He has been the head of our State Forestry Department and, in my opinion, he is one of the outstanding foresters in the country.

We will be glad to hear from you, Mr. Pederson.

**STATEMENT OF FRED C. PEDERSON, STATE FORESTER,
RICHMOND, VA.**

Mr. PEDERSON. Thank you.

Mr. Chairman and gentlemen of the committee, I was out in the field when I learned that this hearing on Senate 45 was to be held this morning and I have not been back to my office since that time. As a result, I have not been able to prepare any formal statement for the record for your consideration, but at Mr. Flannagan's suggestion, when I get back to my office, I will prepare such a formal statement and present it to you.

My remarks this morning must be very informal. As State forester of Virginia, I can only repeat that I represent the forestry department in Virginia, but I am also representing the Association of State Foresters. I can say without reservation, or without any exception, that every State forester in the country—41 of them—are solidly behind this particular bill. As a matter of fact, I think that every forestry agency in the country, or any agency in the country that is interested in better forest land use endorses and supports this proposed legislation.

As a matter of fact, for several reasons and not the least of which is the very happy experience we have had since the bill was enacted in 1924, the Clarke-McNary law. Forest-fire control is basic and fundamental, in my opinion, to any adequate system of forest land use.

If a timberland owner in Virginia wants to grow timber for lumber, for pulpwood, for excelsior, or for any other forest product, if he wants to use his land for recreational development, or if he wants to propagate game or wildlife or if it is in a watershed area, you cannot attain those objectives, any one or any combination of them, unless those areas are adequately protected from fire.

As a matter of fact, in my opinion, forest-fire control is so basic, so important that I would say it represents the common denominator of all our forest activities.

Now I don't want to generalize because I don't have any specific information about the forest-fire problem in the Pacific coast or in the Western States or in the deep south, but I have been with the Virginia Forest Service for the past 22 years and I think I can give you a fairly accurate picture of the problems we have in that State.

As a matter of fact, Virginia, you might say, represents a typical State in the Union. We are midway, so far as latitude is concerned. We are on the Atlantic seaboard. We have greater fire hazards than any of the New England States, and I don't think that any of the Southern States has any greater fire hazard than we have.

Mr. HOPE. How many acres of State forests do you have in Virginia?

Mr. PEDERSON. You are speaking of State-owned or private-owned?

Mr. HOPE. State owned. Do you have State-owned forests?

Mr. PEDERSON. Yes, we have about 40,000 acres approximately of State-owned forests.

Mr. HOPE. How large an acreage of privately owned forest land have expenditures been made upon in connection with the Clarke-McNary Act? How much of that land do you cover?

Mr. PEDERSON. Well, to give you the complete picture of the forest lands in the State, we have approximately 15,000,000 acres in Virginia which is about three-fifths of the total land area in the States. Exactly, it is 14,832,000 acres. Of that 14,832,000 acres, approximately thirteen and a quarter million acres are privately owned and State owned, and 40,000 acres in State forests. Of the privately owned holdings in the State, over 7,000,000 acres are owned by farmers, the balance is owned by operating lumber companies and pulp companies and other individuals other than farmers.

Mr. HOPE. How much does your State expend in matching this fund, or maybe more than matching it, but how much does the State spend?

Mr. PEDERSON. Our expenditures will vary anywhere from \$150,000 to \$250,000 a year, depending on the severity of the fires. In Virginia the counties are required to pay the fire-fighting cost. It is mandatory that they pay the fire-fighting cost, and those costs will vary, depending on the severity of the fire.

Mr. HOPE. And this figure you have given includes the State and county?

Mr. PEDERSON. That is right.

Mr. HOPE. Does that include expenditures by private owners also?

Mr. PEDERSON. Yes, but in Virginia there are certain expenditures by private owners which are not covered. That is, we have protective assessments in our State. There are a lot of expenditures made by the pulp companies and the operating companies which are not included in the budget because they do not pass through our office. As far as protective assessments are concerned, they pay a cent and a half and that comes into our office, and we spend that.

Mr. HOPE. There are some private expenditures that you have not included in your statement?

Mr. PEDERSON. There are some private expenditures and there is a certain amount that is not spent under our jurisdiction or supervision. That is not included.

Mr. HOPE. How much do you get from the Federal Government?

Mr. PEDERSON. Our allotment for the fiscal year was \$51,000, as I recall it and the State appropriation was \$101,000 and then the balance is spent by the counties and by individuals.

Mr. HOPE. You probably would not be in favor of Mr. Pace's amendment.

Mr. PEDERSON. Well, I think it would unnecessarily complicate the legislation.

Mr. PACE. That is all, Mr. Chairman.

The CHAIRMAN. Do you have any further statement you desire to make?

Mr. PEDERSON. Yes.

Mr. POAGE. If this bill passes without the Pace amendment, would it probably not mean that the legislation would cut your appropriation by \$75,000? You would have the same amount of money you put up, is that what would happen?

Mr. PEDERSON. I can be positive that the Legislature of Virginia is not going to cut our appropriation for the Department of Public Conservation. There is too much sentiment in the State in favor of protecting those reserves.

Mr. POAGE. I don't think the legislature intends to cut the appropriation but where it will be less than the amount of money that is being spent today. I agree with you that public sentiment wants to protect the forests but I would figure that I could cut that appropriation down to where the amount of money was equal. If your State cut its appropriation down to meet the Federal, there would not be any public outcry against it, and there are not 3 people in Texas out of 6,000,000 that would protest if there was a larger share of Federal money.

Mr. HOPE. Name three.

Mr. POAGE. I could not name the three.

The CHAIRMAN. Let me say here that that is just penalizing the States that have been progressive in fire protection. That is what you are doing.

Mr. PEDERSON. Yes, indeed.

The CHAIRMAN. And you are not putting all the States upon an equal footing.

Mr. PEDERSON. That is right.

Mr. VOORHIS. Let me ask, Mr. Chairman, what would happen to the State of Virginia if the State of Virginia cut their appropriation down to \$91,000? How much Federal money would they get then?

Mr. PACE. Under the amendment as drawn, if they reduce their expenditures, and the witness says no such thing is possible, but if they reduce their expenditures they would get no aid.

Mr. VOORHIS. None at all?

Mr. PACE. None at all.

Mr. VOORHIS. Not even the matching?

Mr. PACE. That is right. You have mentioned the vital need and I thoroughly agree with you, as to forest protection and protection against fire. One of the great problems we have down in my State of Georgia is the destruction of our woodland by the cutting of our trees and no effort being made with regard to reforestation, particularly by the pulpwood companies. They are just cutting everything from 4-inch trees and on up.

Don't you agree with me that regulations of cutting and the requirement of reforestation are just as important and may be more important than fire protection?

Mr. PEDERSON. Mr. Pace, I wouldn't say it was more important. I would say our important problem is fire.

Mr. PACE. I would say it is a little more important because my State is suffering today, from the limited knowledge I have, a great amount of destruction of our forests by cutting, much greater than by fires. I think, too, that our States are all suffering more from the wanton destruction of our woodlands by cutting of 4- and 3-inch trees, just leaving enormous cut-away areas, with no obligation apparently to reforest them or restore them, than anything else; and at the rate we are going in Georgia we are not going to have any woodlands left, and it is not due to fires.

Mr. PEDERSON. Well, that is also true in Virginia.

Mr. POAGE. We have enormous pulp and paper-cutting companies that have sent agencies into every county and they have gone so far as to divide the State into sections. The different companies have an agreement where one company is in one county and another company doesn't go into that county. There is no competitive thing to it at all.

Mr. VOORHIS. You ought to refer that to the Antitrust Division.

Mr. POAGE. We tried to. There is no competition at all. Each company has taken over a section and it goes in there, and in most of the cases there is hardly enough even to cut, and in my State we are suffering more enormous losses through that practice than we are by fire.

The CHAIRMAN. That is not the problem here.

Mr. PACE. If you fellows believe in State rights, why don't you go out and exercise such rights?

Mr. POAGE. Well, it is a problem, Mr. Chairman, that has been considered by Mr. Fulmer.

The CHAIRMAN. If they are violating the antitrust laws they should be looked into.

Mr. POAGE. I do not see why the Forest Service should not be as concerned about one as about the other.

The CHAIRMAN. But the Forest Service is helpless in a case like that. It is a case for the Department of Justice.

Mr. POAGE. About denuding the territory, yes, but not in the practice of reforestation.

The CHAIRMAN. I think they are vitally interested in that.

Mr. PEDERSON. We are. That is one of the major problems that concerns the country today, and I think there has been considerable and unjustified overcutting of timberland, and I have gone on record in Virginia for a State law requiring conservative practices.

Mr. PACE. You don't have any such laws?

Mr. PEDERSON. The only law is that we require the planting of seed trees, but that problem is greater than the fire angle.

How can we expect timberland owners to invest their money in good-management practices, to conservatively cut their timber, to leave plenty of timber on the land for future operations, or to plant trees on denuded land unless we can give those timberland owners reasonable assurance that their final harvest is going to be a crop of trees and not a crop of dead snags and ashes?

Mr. ZIMMERMAN. I just want to say this, as I said in my statement awhile ago: I think the tree butchers in this country have done more harm to the forests of this Nation than any other group, and it is a

crime that we let them do that and not require them to do the reseed-ing and replanting that prevents the running-off of water. Somebody, I say, has been derelict in their duty and I think the States and the Federal Government ought to go as far as they can to protect that very phase, but the States can do a lot more than we can.

Mr. PEDERSON. I don't think there is any question but that we will have State regulation on cutting privately owned timberland.

Mr. ZIMMERMAN. Well, I think that is true, and you have an extension department, do you not?

Mr. PEDERSON. Yes.

Mr. ZIMMERMAN. That is where you can do a lot of good, by educating the people down in the State of the importance of all this. We have a conservation commission in our State which is given very broad powers over timber and game and water, and it is all in the hands of this commission, and we amended our constitution so they had full power and authority and the legislature can't tinker with them, and they make great progress, and they are back of this bill a hundred percent because they know about the future of timber resources in the country.

I am for this bill. It is a step in the right direction, and every dollar spent is going to make many more dollars in years to come.

(The statement submitted by Mr. Pederson is as follows:)

COMMENTS ON SENATE BILL 45 AT COMMITTEE ON AGRICULTURE MEETING BY F. C. PEDERSON, STATE FORESTER OF VIRGINIA, DECEMBER 3, 1943

Mr. Chairman and gentlemen of the committee, I first want to call attention to the fact that I am respectfully requesting the committee to favorably report on Senate bill 45, which increases the authorization of section 3 of the Clarke-McNary law from two and one-half to nine million dollars, not only for the benefit of forest-land owners in Virginia but also in behalf of the National Association of State Foresters. Without a single exception, this particular bill is endorsed and supported by every 1 of the 41 State foresters in the country. For that matter, I believe that every forestry agency in the United States and every agency that is interested in maintaining our forest lands in a more productive condition favor its enactment. Certainly, I believe that any or all agencies having anything to do with forest-land management should support the enactment of the bill because of the satisfactory experience that we have had with the Clarke-McNary pattern of cooperation since the enactment of the law in 1924, and because, without doubt, the greatest obstacle to keeping our forest lands continuously producing merchantable timber crops is widespread uncontrolled fire.

Adequate forest fire control is basic and fundamental to any sound program of forest land use, whether the object of management is timber or pulpwood production, the prevention of soil erosion, the preservation of water supplies for domestic or industrial use, the conservation of game and wildlife, or the development of our recreational resources. As a matter of fact, I would say that adequate protection of our timberlands from fire is so all-important that we may properly designate it as the common denominator of practically all of our conservation programs.

Because of the detailed information which I have about forest conditions and the forest fire problem in Virginia, I am confining my remarks to the needs of the situation in my own State.

The major forest problem in Virginia is essentially a problem involving the wise use of 14,832,000 acres of land, approximately three-fifths of the total land area of the State, that are not suited for any better purpose than for the growing of timber crops. Eighty-nine percent of this forest area, approximately thirteen and a quarter million acres, is in private ownership, and from these private holdings come more than 98 percent of our current cut of forest products. This large area should be dedicated to the continuous production of forest products in order to supply our present and future wood-using in-

dustries with necessary raw materials, to maintain the pay rolls of our woods and mill workers, to produce taxes, freight and other forms of revenue, to conserve our soil and water resources, to protect our valuable game birds and animals, and to administer to our recreational needs.

I say without qualification that the greatest obstacle to the productive use of forest land in Virginia is uncontrolled fire. Each year we have from 2,500 to 5,000 fires reported. Each year fires burn from a hundred thousand to five hundred thousand acres of timberland, depending upon the severity and character of the fire seasons. As a result there are literally hundreds of thousands of acres of brush or wasteland in Virginia that are in this uneconomic and wholly unsatisfactory condition primarily because of the effects of fire. We have large areas on which the forest type has changed or is changing to less desirable species, and we have the failure of our cut-over lands to reproduce satisfactorily with species of commercial value, because of the effects of fire. In our hardwoods, fire scars and heat killing always begin their destructive work, and each succeeding fire leads directly to a burning down of the trees, or it renders the timber susceptible to windthrow and to insect infestations and to decay from fungus diseases. If you will go on burned areas in Virginia, areas that were burned several years ago, you will find only clumps of sprouts, usually of a poor species, but more fire resistant than species of greater commercial value, and you will find dead, worthless trees, briars and other inferior undergrowth.

I wish to call attention to the fact that the forest industries of Virginia at the present time rank second only to textiles in the number of wage earners employed. For instance, they provided employment during the calendar year 1940 to more than 51,000 wage earners, which was about 24 percent of all persons engaged by all industries in the State during that year. During the same year the forest industries in Virginia paid wages in excess of \$39,000,000, which was about 20 percent of the State's total industrial pay roll for the year. Forest products manufactured or cut, including lumber, pulpwood, poles, piling, ties, and fuel wood, were valued at \$184,000,000. I merely wish to call attention to some of these facts in order that you may more fully appreciate the major contribution that timber resources of Virginia can and will make to the economic life of our State.

It is because of these economic considerations and because fires, more than any other single agency, will keep our forest lands in an unproductive condition, that I respectfully urge you to support Senate bill 45.

I know that there is considerable criticism, much of it without doubt fully justified, of the present practices of overcutting forest lands. But that is entirely another problem, and at any rate we cannot expect farmers and other timberland owners to invest money in good forest management practices unless and until we can give them at least reasonable assurance that their final harvest will be a crop of trees and not a crop of dead stubs or a crop of ashes.

Mr. GILCHRIST. Mr. Chairman, I have a letter from my State forester, and I promised to put his views in the record, and I now ask unanimous consent that this letter be incorporated in the record.

The CHAIRMAN. No objection. It is so ordered.

(The letter referred to is as follows:)

IOWA STATE COLLEGE OF AGRICULTURE AND MECHANIC ARTS

DEPARTMENT OF FORESTRY

AMES, IOWA, November 30, 1943.

Hon. FRED C. GILCHRIST,

House of Representatives, Washington, D. C.

DEAR MR. GILCHRIST: I appreciate very much your prompt reply to my telegram of yesterday, and also appreciate the opportunity to give you my views in connection with S. 45, which I understand comes up for consideration of the Committee on Agriculture next Friday.

My principal reason in contacting you in regard to S. 45 is because this measure has to do with the amendment of the so-called Clarke-McNary Act, which was put into effect in 1924. In my opinion, the Clarke-McNary law represents one

of the most effective means of cooperating with the various States in conservation work. The measure provides Federal stimulus, which has been very effective in getting needed conservation work initiated. Iowa has been the recipient of benefits, especially under section 4 of this act, which has to do with cooperative reforestation work. This program in Iowa has been under my general direction from the State's standpoint ever since the enactment of the law, more than 20 years ago. It has been a real help in our conservation program.

In studying S. 45, the purpose of this amendment is to provide additional Federal resources for several of the different sections of the original Clarke-McNary Act, especially in forest-fire protective work. Although the original Clarke-McNary Act made a good start in cooperating in the States in forest-fire protection, yet, the job has been only partially handled. I believe we have come to the time now when the National Government should take the lead in demanding as nearly full protection of our forests from fire as possible. Surely the demands for lumber and other timber products in the present war period have impressed the people of the country that our forests are one of the critical resources which we can ill afford to lose through neglect.

Several years ago, at the request of Congress, an investigation was made which recommended that more adequate Federal appropriation would be needed in order to handle our forest-fire problems. The proposal in S. 45 calls for a Federal fund, which, taken along with the appropriations of the various States, would go a long way toward protecting our forest resources from one of our most destructive agencies—fire.

The proposed amendment also makes provision for a study of our tax laws, which subject has a direct bearing on forest conservation through private initiative. This question is of importance and should be handled from a national viewpoint rather than piecemeal by the various States.

It is further suggested that a study of the possibility of insurance against losses of timber through fire damages may contribute in a large way toward a more conservative handling of the country's forest resources.

I believe that if S. 45 is recommended by the Agricultural Committee and passed by Congress that it will be a definite step toward a program providing for a more satisfactory handling of one of the country's most essential resources.

I hope that you may have an opportunity to look into the merits of this measure at the time you meet with the Agricultural Committee to which the bill has been referred for consideration.

Very truly yours,

G. BILL MACDONALD, *State Forester.*

The CHAIRMAN. Now, if there are no further questions we have another forestry bill set for today, H. R. 1456. That is the companion bill to S. 44, which has not yet been acted upon in the Senate.

Mr. WATTS. Mr. Chairman, it would not be possible for Colonel Greeley of the West Coast Lumbermen's Association to discuss this fire bill briefly, would it?

The CHAIRMAN. Well, I think we can have time for him for a few minutes and then he can file a statement.

Mr. WATTS. I am anxious to have you do so because he has come all the way from the coast.

The CHAIRMAN. Well, if he came here from the west coast, of course, we want to hear him.

STATEMENT OF COL. W. B. GREELEY, SECRETARY-MANAGER, WEST COAST LUMBERMEN'S ASSOCIATION

Col. GREELEY. I am W. B. Greeley of Seattle, secretary-manager of the West Coast Lumbermen's Association.

Mr. Chairman, it was my privilege to be associated with the Forest Service when this basic legislation was passed and to work with Congressman Clarke and Senator McNary in the studies and consul-

tations which preceded its drafting. For the last 15 years I have been with the lumber industry in the Pacific Northwest and have had a chance to see the application of this legislation from the other side, from the side of the State and private landowner, and I would like to add to the testimony you have heard.

In Oregon and Washington, at least, and I am sure that this is generally true, such legislation as this does not reduce forest expenditures by the State and private owners. On the other hand, every move in this direction which the Federal Government has made has had the effect of increasing State activity and industrial activity in forestry.

Now in the case of Oregon and Washington, we have State laws that require every forest owner to furnish the basic protection of his property from fire, and the forest owners of those two States who have protection and various forms of fire safety on their land are now expending approximately a million dollars a year for forest protection as against the \$225,000 a year furnished by the Government, and a slightly larger amount appropriated by the two States.

In this increase I do not include the Federal emergency appropriations or the special expenditures for protection which were carried out under the 3-C organization for a good many years, but the net result of this policy by the Federal Government has been to generally increase both State expenditures and private and industrial expenditures for forest-fire fighting, and today in the thirteen-odd-million acres of privately owned forest land in Oregon and Washington there is an average expenditure by the owners of that land of about 7 cents per acre for forest protection.

It comes out of the pockets of the industry, and we realize in that region that forest protection is absolutely the starting point of any kind of forestry. Our coniferous forests are subject to a terrible fire hazard every year, and without completely organized forest protection no form of reforestation would be possible.

The association that I am serving today is working very actively to increase the forestry movement on the part of the private owner. We have launched a movement that we call the west coast tree farms, which is an area whose owner has permanently set it up for growing timber. We have today about 25 of these tree farms with a total in excess of 2,000,000 acres, and the purpose of it is to advise the owners of these tree farms what is necessary to make them successful.

Our first point is all-out protection from forest fires and the standard of good protection, for a tree farm has doubled the present protection that the average land on those two States now receives.

We started out with the proposition that to be a successful tree farmer in our Pacific Northwest you have to be prepared to spend about 15 cents per acre every year for protection, so that the trend in our region generally is steadily to increase the intensity and the expenditure for protection by both State and private forest interests, and this activity for forest service which has now been in effect for some 20 years has been of tremendous value in carrying on that movement in the States and among the private industries of those two States. It is not only a matter of the appropriations, but the practical cooperation and consultation and advice and help in mutually

developing the know-how of forestation, but also one of tremendous interest and tremendous practical value.

I feel this is one of the most constructive things in regard to the Federal Government that it has ever undertaken in practical conservation, and we rely on the estimates of the Forest Service for the new requirements and increase in the authorization, and we feel that the money will be well spent in order to make the job complete and effective, and from the standpoint of our industry in the Pacific Northwest, I can assure you that the private expenditures will go right on increasing with this further help and cooperation from the Federal Government.

Now, gentlemen, we have recently made a study of our whole situation in Oregon and in Washington. We have summarized it in this little report, and I would like to give you a copy of it.

The CHAIRMAN. We would like to have it.

Colonel GREELEY. I have enough copies available for all of you gentlemen [handing to members present].

Mr. PHILLIPS. May I ask a question, Mr. Chairman?

The CHAIRMAN. Yes.

Colonel GREELEY. May I just add: This is an attempt to State in cold facts what has actually taken place in the last 10 years in the Douglas fir region of Oregon and Washington, and it shows considerable progress. It is still very incomplete but we are moving in the right direction, but general protection from forest fires is absolutely the foundation of that whole thing and unless we can continue to increase and expand the intensity of protection from forest fires, all this would not be possible.

Mr. PHILLIPS. Mr. Chairman, Mr. Gilchrist raised the question that I thought should have had some more comment in the record at that point, and Mr. Zimmerman touched upon an allied subject. There are companies and people who will strip the timber and not replace it. They are timber vandals, but also I would like to ask this gentleman if he can: Is taxation still entering into the problem of cutting the timber and the problem of replacing the timber, because there are certain counties or areas in the part of the world from which he and I both come—the west coast—in which taxes have been levied, during the depression especially, and it may be difficult for a timber company or individual to preserve the timber standing on the land because it may impose a penalty upon him and, in some instances, work against the planting.

Now, my impression is that that should become a subject of study, and by cooperation with California much of the difficulty can be corrected.

Colonel GREELEY. There has been a substantial correction, sir. It is still a very perplexing problem as to how to change the tax base of our merchantable timber from the ad valorem basis to a yield basis or a harvest basis.

In Oregon and Washington we have been successful in bringing about that change. In the case of the regrowing of forests, that is; in both of those States the owner who is engaged in timber recropping may register his land with the State tax authorities and thereafter pay a very low annual ad valorem tax. Whenever his timber is cut, however, he is obligated to pay a yield tax at the rate of 12½ percent on

the value of the timber at the time of cutting and that has been of great advantage in encouraging the bringing about of the practices which we are working for. In fact, that would not have been possible without that law.

Now, we haven't been able to make much headway in changing over the tax of merchantable timber to a harvesting basis because of the tremendous difficulty involved in county revenue, but we have made that definite change in respect to our new forest, as we find it essential to a timber-growing program in our country.

Mr. ZIMMERMAN. I happened to be out in the States this summer and I was amazed around some sections of Washington to see how they had stripped that country of every tree.

Colonel GREELEY. There has been a great deal of that done.

Mr. ZIMMERMAN. We traveled 40 miles before we saw one of their native trees, so completely had they been denuded. Now, do you have any regulation as to the marketing of timber or are you doing anything about it, or just slaughter the whole thing, or do you continue to do it just like one of these pictures indicate?

Colonel GREELEY. Yes, sir.

Mr. ZIMMERMAN. Just a complete denuding of the land of every tree, big and little. Do you still do that?

Colonel GREELEY. There is still too much of that going on but the trend is against it. In the State of Oregon the legislature passed 3 years ago a regulatory measure for the prevention of destructive forest practices. That measure requires that certain minimum conditions in the practice of reseedling when the land is cut be carried on. The law has now had 3 years of life and it has had a very efficient administration by the State Department of Forestry and that period when that type of denudation could take place has now passed. It is passing in the State of Oregon under the control of the State law. It is passing in Washington because of the active program of the industry itself and there we hope to get a State law comparable to that which we now have in Oregon, but do not fail to realize, sir, that a great deal of that denudation that anyone can see who travels the Pacific Northwest is simply the result of forest fires.

I know of a great many tracts where repeated fires have completely denuded the land, but there has been destructive logging by the lumber companies.

The CHAIRMAN. Let me say, under our present Federal laws we have orderly marking of trees in the national forests.

Any further questions?

Mr. PHILLIPS. Let me ask you this: This is an extremely interesting book and it shows that over one-third of the fires in that area are incendiary fires, does it not?

Colonel GREELEY. Yes.

Mr. PHILLIPS. It seems a high percentage.

The CHAIRMAN. I would like to ask Mr. Watts to furnish for the record the contributions made by the respective States and also in another column, the contributions made by the Federal Government to those States. I would like to have it by States if possible.

Mr. WATTS. I have it.

The CHAIRMAN. Without objection, that statement will be included in the record at this point.

(The statement referred to is as follows:)

State allotments for forest fire cooperation under section 2 of the Clarke-McNary law

State	Fiscal year 1943— State and private ex- penditures	Fiscal year 1944—Fed- eral allotments	
		Matched	Un- matched ¹
Alabama	\$176,105	\$117,834	\$53,735
Arkansas	173,178	107,812	24,131
California	2,065,412	682,948	51,738
Colorado	52,266	15,787	
Connecticut	55,916	24,965	15,000
Delaware	5,529	3,000	4,500
Florida	275,663	179,790	128,801
Georgia	124,113	107,495	54,945
Idaho (north)	157,046	66,010	29,700
Idaho (south)	33,388	16,571	7,700
Illinois	14,355	6,960	7,500
Indiana	34,197	12,950	9,735
Kentucky	21,140	29,200	23,150
Louisiana	193,959	107,486	12,195
Maine	88,056	70,826	21,918
Maryland	248,100	21,606	125,200
Massachusetts	143,682	50,985	22,057
Michigan	557,541	221,440	20,000
Minnesota	275,213	137,373	24,232
Mississippi	115,004	78,663	41,710
Missouri	44,483	26,955	21,205
Montana	111,371	43,975	12,000
Nevada	6,125	3,414	
New Hampshire	70,829	24,517	13,200
New Jersey	167,483	53,223	40,000
New Mexico	11,400	5,339	
New York	219,856	98,979	17,000
North Carolina	167,111	95,577	87,355
Ohio	28,616	13,648	15,000
Oklahoma	29,319	28,451	
Oregon	795,381	316,878	386,000
Pennsylvania	313,528	69,646	10,000
Rhode Island	62,837	7,357	5,000
South Carolina	190,655	104,457	82,269
South Dakota	10,615	1,957	
Tennessee	72,119	57,068	43,965
Texas	96,190	69,864	44,665
Utah	18,220	7,766	1,000
Vermont	40,461	19,525	10,000
Virginia	164,605	51,101	161,260
Washington	1,169,227	414,754	337,750
West Virginia	208,930	52,910	15,000
Wisconsin	315,255	145,186	23,000
Hawaii	3,303	1,117	
Total allotment to States			2,003,616
Contingent and reserve for spring season		10,000	202,634
Administration and inspection		171,235	93,750
Taxation and insurance studies		45,000	
Grand total	9,127,782	4,000,000	2,300,000

¹ The appropriation act for 1944 authorized the expenditure of "not to exceed \$2,300,000"—for fire protection—"on critical areas of national importance without requiring an equal expenditure by the State and private owners."

² Qualifies through Budget, State having shown availability of State and private money in amount at least equal to Federal allotments.

The CHAIRMAN. Now, we have Mr. Ovid Butler, executive secretary of the American Forestry Association.

**STATEMENT OF OVID BUTLER, EXECUTIVE SECRETARY OF THE
AMERICAN FORESTRY ASSOCIATION, WASHINGTON, D. C.**

Mr. BUTLER. Mr. Chairman, and gentlemen, I represent the American Forestry Association. Our organization is an association of civilian people of the United States. It is made up of anyone who is interested in promoting conservation and the better management of our forests. It includes groups that are interested from an industrial standpoint, wildlife, soil conservation, water protection, and so forth.

My remarks are going to be very brief. There is one point, however, that I would like to elaborate on for just a moment.

The Clarke-McNary bill, which this bill amends, has been mentioned a good many times. I would like to point out that that bill passed in 1924 was a ticket or principle written by Congress itself which followed an intensive study of forest conditions during 1922 and 1923 by a special committee of the Senate headed by Senator McNary.

It went all over the country into the principal forest regions and studied the whole question of forest management, and I would like to read just about 10 lines from a statement that Senator McNary wrote a few years ago in which he was discussing this whole question of forest-fire protection.

Being chairman of the bill and chairman of the committee which sponsored the bill, it is a very clear statement of what the committee had in mind and how it viewed the forest situation at that time.

It says:

The Clarke-McNary Act is based upon two fundamental things as found by the committee:

The first was the clear necessity of preventing forest fires on State and private lands in order to safeguard resources, principally to justify public and private agencies in investing time and money in conservation work.

Second, was the need of expanding public forests to embrace those lands of watershed value which private endeavor could not be expected to manage on a permanent timber-growing basis.

Further on he said:

If conservation is to become part of the everyday lives of our people, the Government's attitude must be one of cooperation in solving the problem that today surrounds every nonpublic conservation undertaking, but whether the undertaking be private or public this cooperation has its point of beginning in the control of forest fires.

That, gentlemen, is a principle that my organization has stood for for more than 50 years, a principle that we have promoted and endeavored to implant in the people of the United States.

I think it is generally recognized that unless all forest lands can be assured of reasonable protection from fire, we cannot hope that private endeavor will risk funds in long-time growing of timber.

Now, a further point is that unless our public forests have reasonable fire protection the money that the Congress and the States are investing in forest services and forest work will not adequately be protected. Therefore, we offer this bill which is merely an amendment of it basically and accomplishes one purpose and one purpose only, and that is to free the Congress of the authorization restriction

which the Clarke-McNary Act imposed upon it, namely: The appropriation of \$2,500,000.

Now, I might say that when that figure was set up back in 1924 as the limit of the amount that Congress could appropriate from year to year, conservation agencies did not have as good an appraisal of the size of the fire problem that it has today. That undoubtedly and unquestionably no one could foresee the great increase in tourist travel in various areas and the increase in the number of fires started by the public on both private and public lands.

Therefore, this amendment merely places in the hands of Congress the freedom to say, from year to year, whether it will appropriate more than \$2,500,000 under this act.

The CHAIRMAN. Thank you.

Mr. BUTLER. Thank you.

The CHAIRMAN. Now, it looks as though we will have to adjourn until Tuesday, but we have here this morning some people who would like to testify about H. R. 1456 and S. 44. Mr. Adams has made a trip from New England, and I think we should let him make a brief statement and give him permission to file a written statement if he so desires.

Mr. Adams, we would like to hear from you.

**STATEMENT OF SHERMAN ADAMS, LUMBERMAN,
LINCOLN, N. H.**

Mr. ADAMS. Mr. Chairman, I have no wish to detain the committee and I will confine myself to 10 minutes.

I have come down here from New England and I am not able to appear before your committee on next Tuesday, and I would appreciate an opportunity to say a few words on the measure S. 44 and H. R. 1456. I will not go into the details of the measure but those will be presented, as I understand it, before your committee next week.

I am and have been connected for some 23 years in various industries in the New England area.

We have not made a survey for the continuation of that which this bill is providing for and such a survey has not been initiated in the Northeast, and from where I come, but I feel that this is a very important measure and I will try to show the committee that, by virtue of an inventory which has been initiated, these various services should be completed.

Mr. Chairman, I would like to say that I think the manner and the extent that we use our land and the usage and care with which we take advantage of our resources is one of the most important things, and we ought to do that if for no other reason than that the forest land in the northeast area amounts to three-fifths of the land area, in New England to two-thirds of the land area, and in New Hampshire I believe it comes somewhere to about four-fifths of the land area, and I think there are reasons, Mr. Chairman, why the forest survey that has been initiated is as important to the northeast region as it is to any other region.

I would like to say briefly that there are some fifty-seven million acres of forest land in the northeastern area of the six-hundred-and-thirty-odd-million acres in this country. We have operations up there

that produce 6 percent of the lumber, something like 15 percent of the pulpwood, and in spite of the fact that we produce our proportionate share of forest products that are produced by the forests of this country, our production is characterized by a substantial depletion in our sawmill reserves.

I believe, Mr. Chairman, that there are certain inherent responsibilities in the people owning land, and in the last analysis, I believe that the Federal Government should see to it that there is some reasonable security to be expected from the forest products of those lands. What those responsibilities are, cannot be determined in my opinion unless we know what is occurring on the land.

Measures to insure the continued consistent production of forest products from those lands cannot be known unless we know what is on the land, what our rate of growth is, what our rate of depletion is, and so forth, and that is the fundamental thing that is to be determined.

Mr. Chairman, in 1942, in the Northeast we consumed 4,000,000,000 feet. That is, 4,000,000,000 board feet of lumber in the northeastern region. A board foot is a piece of lumber 1 foot long, 1 foot wide and 1 inch thick. We marketed our own production amounting to about a billion and three-quarters board feet but we used of that in our region, about a billion and a half board feet and we were able to provide what was required in our own bailiwick about 37½ percent; the rest we imported. I think, Mr. Chairman, that our situation in our own State of New Hampshire is typical of the forest situation in the northeast region and I want to take 2 or 3 minutes to give you a picture of our situation in the State of New Hampshire as indicative of the situation in the entire northeastern region.

We have about 6,000,000 acres in the entire State. At the time of the Proprietors' Grant originally set up it was something like 5,775,000 acres in timberland.

Along about 1830 or 1850 the forest acreage was reduced to something like 2,750,000 acres due to the fact that the primary use of that land in New Hampshire was for agriculture. Since that time forest acreage has increased to 4,445,000 acres.

In 1938, the Forest Service made a spot check of our forest resources in our State. They figured that at that time we had something like six-billion-one-hundred million-odd of board feet. That was an opinion on their part. There was and there has been no forest inventory that has ever been taken of New Hampshire, no systematic forest inventory, nor has there been any forest inventory of the northeastern region.

In 1938, we had a very serious windstorm in New Hampshire, hurricane that destroyed a very substantial portion of the mature growth, not only in New Hampshire, but in the northeastern region and it was my opinion that up to 1941 our forest reserve in New Hampshire was depleted, including the cutting, something like 5,000,000 board feet. That is my personal opinion from my personal observation.

We consumed in 1941—the year previous—about a half million cords of pulpwood in New Hampshire. That is roughly 250,000,000 board feet, and we consumed in lumber about 255,000,000 board feet, and altogether there was a total production of about 525,000,000 board feet, but of the four-million-odd acres of forest land which we have today,

there is only about half of that or something like two million and a quarter acres in New Hampshire that is in productive condition.

In other words, there is about half of it that is producing something that is going to be of value to the people; which means that the rest of it will have to be rehabilitated and regenerated.

We have been considering for some time what the forest policy of our State ought to be, considering these various factors. We have not only considered it, but other States as well are considering it. We don't have the information at the present time to know what our forest policy ought to be and how to proceed to overcome the depleted situation of our State and the other States in the Northeast. We are, however, actively considering this thing, whether or not we should raise \$30,000 for getting precisely this information but we have neither the personnel nor the facilities available to the Forest Service in getting this information.

Now, we see, Mr. Chairman, in the horizon, some very definite indications in regard to the public interests as it affects public lands, and many of us are concerned with the problem. We think we are going to be able to handle it in large measure ourselves, but we do believe that this thing is essential, and we think we ought to have the forest survey that has been initiated in our northeastern territory and particularly in our State, so we can proceed with a reasonable degree of intelligence in trying to solve our problem.

We hope that you will help us.

The CHAIRMAN. We thank you. If you desire, you have permission to extend your remarks by filing a statement.

Mr. PACE. Just one question.

Mr. ADAMS. Yes.

Mr. PACE. You are directing your remarks to section 9 of the McNary Act?

Mr. ADAMS. I believe so.

Mr. PACE. Has the total of \$3,000,000 been expended?

Mr. ADAMS. As I say, I am not here to testify about the act itself and about the history of the act. That testimony, I assume, will be adduced next Tuesday by men who are more familiar with it than I.

Mr. PACE. You are just showing the needs of it?

Mr. ADAMS. Yes.

The CHAIRMAN. The committee is adjourned until next Tuesday.

(Whereupon, the committee took an adjournment at 12:15 p. m. until Tuesday, December 7, 1943.)

FORESTRY

TUESDAY, DECEMBER 7, 1943

HOUSE OF REPRESENTATIVES,
COMMITTEE ON AGRICULTURE,
Washington, D. C.

The committee met at 10 a. m., the Honorable John W. Flannagan (acting chairman) presiding.

The CHAIRMAN. The committee will come to order.

We have up for consideration this morning S. 44, introduced by Senator McNary, and H. R. 1456, introduced by Congressman Randolph. Congressman Randolph is present this morning and desires to make a short statement.

We will hear from Dr. Watts.

(The bill under discussion is as follows:)

[H. R. 1456, 78th Cong., 1st sess.]

A BILL To amend section 9 of the Act of May 22, 1928, authorizing and directing a national survey of forest resources

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That to enable the Secretary of Agriculture to complete and keep current for the United States the forest survey authorized and directed by section 9 of the Act of May 22, 1928 (45 Stat. 639, 702; 16 U. S. C. 58), said section is hereby amended to provide that the annual authorized appropriations therefor shall be on the same basis as are appropriation authorizations for carrying out the purpose of other sections of said Act as provided in section 1 thereof and by removing the limitation on the total Federal appropriation.

STATEMENT OF LYLE F. WATTS, CHIEF OF THE UNITED STATES FOREST SERVICE

Mr. WATTS. Mr. Chairman and members of the committee, I think perhaps I had first better clear up just what the legislation is under discussion.

The CHAIRMAN. In doing that, I think you should tell the committee just what can be done under the present legislation, what changes you desire, and why you need those changes.

Mr. WATTS. The McSweeney-McNary Act was passed on May 22, 1928, and is known as the charter for Federal research in this country. The act was made up of 10 sections: The first section stated the general purpose of the act as set forth more specifically in the following sections:

Section 2 of the bill provided for research in forest management, with an authorization of \$1,000,000 a year.

Section 3, investigations of forest-tree diseases, with an authorization of \$250,000 a year.

Section 4 investigations of forest insects, with an authorization of \$350,000 a year.

Section 5 investigations of forest wildlife, with an authorization of \$150,000 a year.

Section 6, investigations of forest fire weather, with an authorization of \$50,000 a year.

Section 7, investigations of forest range resources, with an authorization of \$275,000 a year.

Section 8, forest products investigations, with an authorization of \$1,050,000 a year.

Section 9 carried an authorization for a Nation-wide survey of the forest resources of this country. It differed from the balance of the bill in that it not only limited the annual authorization to \$250,000 a year, but it also placed a limit of \$3,000,000 on the total appropriation for the project.

Section 10, forest economics investigations, with an authorization of \$250,000 a year.

The act provides for the removal of the annual limitations in 1938 and for the appropriation of such annual amounts as may thereafter be necessary for these sections.

Now, the purposes of this project are four: First, an inventory of the area, location, and condition of forest lands, and of the quality, kind, and quantity of the timber on the land; second, a determination of the rate of growth of our forests, by types, regions, and species; third, a determination of the rate at which our timber is being depleted by cutting and by fire, by insects, diseases, and so on; fourth, a determination of the current and probable future requirements for forest products for all purposes and uses.

As has been stated, the forest survey started in 1930, 2 years after the McSweeney-McNary bill passed. It has been carried on annually since that time, and some 300,000,000 acres of the 630,000,000 acres have been covered by the survey at a cost of approximately 1.6 cents per acre. That is less than the cost of a 2-cent stamp per acre.

The CHAIRMAN. Of the \$3,000,000 authorized, how much has been spent?

Mr. WATTS. Of the \$3,000,000 authorized, at the end of this year \$2,707,313 will have been used, leaving less than \$300,000 for future appropriation.

The CHAIRMAN. How long do you think it will take to make the survey?

Mr. WATTS. Mr. Chairman, perhaps I can answer that best in this way: We think the cost to complete the first survey, the additional cost will be about $3\frac{1}{2}$ million dollars. The length of time it will take will depend upon the amount of the appropriation. It can be done in an orderly way in 6 to 8 years, or, if the appropriations are small, it would have to be spread over many years. The total cost to complete the job will be about $3\frac{1}{2}$ million dollars, or approximately 1 cent per acre.

The CHAIRMAN. That would be in addition to the \$3,000,000 already authorized?

Mr. WATTS. That is right.

The CHAIRMAN. So that the total cost would be in the neighborhood of \$6,000,000, plus.

Mr. WATTS. That is right.

The CHAIRMAN. That is correct?

Mr. WATTS. Yes, sir; and the total for the whole survey would be about a cent an acre.

The CHAIRMAN. How much will it require to continue the work from year to year? There is a limitation of \$250,000. Is that limitation unreasonable?

Mr. WATTS. The limitation of \$250,000, in my judgment, will continue the work for entirely too long a period. We, as a matter of fact, after having completed the original survey, to get the real benefits from it, would have to keep it current. We don't want to make the original survey, and then when it is completed, just forget about it. We have to make the original survey, and my judgment is that the cost of keeping it current in the most usable shape for the public and industry generally will be about \$250,000 a year.

The CHAIRMAN. You mean to keep it current?

Mr. WATTS. After it is completed.

The CHAIRMAN. You mean after the survey is made you will need around \$250,000 a year to keep the surveys completed?

Mr. WATTS. That is right, because we have to continually resurvey areas that have been cut over, analyze all records on growth, production, losses, requirements, and so forth, and make those analyses so that we can keep a current and reliable record of the condition, ownership, and volumes of timber permanently.

The CHAIRMAN. This amendment as drawn is more or less without a limitation, is it not?

Mr. WATTS. Yes. That to me is a desirable way to draw legislation. So far as we are concerned possibly there should be an annual limitation, but it ought in my judgment be much higher than \$250,000.

The CHAIRMAN. What do you think about having an over-all limitation?

Mr. WATTS. I would rather not have it. As stated, we think we can finish the job for three and a half million additional. If we had to have an over-all limitation for this phase of the work, that figure would be as good as any. I would rather not have it. If you wanted to say that the survey should be finished in around 6 to 8 years, and recognizing the need for keeping the information current, I would say that an annual authorization of somewhere in the neighborhood of \$750,000 a year would be necessary to accomplish that result.

The CHAIRMAN. Don't you think there should be some over-all limitation?

Mr. WATTS. Not so far as the maintenance, and the job of keeping that information usable over the years, because that will run on as a permanent thing, just as in Agriculture we all of the time collect records as to crop production and as to the need for various commodities, and so on.

The CHAIRMAN. As I understand this resolution, you are asking us to, more or less, give you a blanket authorization, and then you would have to go, of course, before the Appropriation Committee, here and in the Senate, each year, and thresh out just what amount you could get from those committees. I doubt the wisdom of legislating in that manner. When it comes to authorizations I think the Congress ought to know more or less what it is doing.

Mr. WATTS. Yes.

The CHAIRMAN. I don't believe we can get the bill through the House with just a blanket authorization.

Mr. WATTS. If we were to put a limitation——

The CHAIRMAN. For that reason I believe you ought to furnish the committee some figures as to what the over-all cost is going to be and what part of that amount can be economically used from year to year.

Mr. WATTS. We will be very glad to do that. It will be in line with the figures I have given you this morning.

The CHAIRMAN. Are you prepared to furnish those figures now?

Mr. WATTS. The figures that I have used are that the total cost for the initial job will be an additional $3\frac{1}{2}$ million dollars.

The CHAIRMAN. Three and a half million. You would then want authorized an additional $3\frac{1}{2}$ million dollars, and if we were to put a limitation on the use of that fund from year to year, what would you say the limitation should be?

Mr. WATTS. My suggestion would be that the limitation should be \$750,000 a year, so that the job could be completed in about 6 years. And in that, recognition would be given to the need of keeping the survey current—the resurvey work that will be carried on indefinitely.

The CHAIRMAN. You would have to draft the amendment in such a way that you would have some current funds annually until the general survey has been made.

Mr. WATTS. That is right.

The CHAIRMAN. It looks to me as if this would have to be redrafted.

Mr. WATTS. That, I think, would best be left as is the rest of the bill. For the other eight items the bill reads that the amounts specified in sections 2, 3, 4, 5, 6, 7, 8, and 10 of this act are authorized to be appropriated up to and including the fiscal year 1938, and such annual appropriations as may thereafter be necessary to carry out the provisions of said sections are hereby authorized. The maintenance part of it I think might well be handled in the same way. It would be up to Congress as to what they appropriate.

Mr. PACE. Dr. Watts, don't you think that really the survey you have made up to now is going to be absolutely worthless the day peace comes?

Mr. WATTS. No; not by any means. One of the other speakers this morning I am sure will discuss that. There [indicating] for example, is a map of western Washington. We are keeping that current. It shows the forest situation in western Washington in a very, very excellent way.

Mr. PACE. I mean this, Dr. Watts; the great problem today is getting enough timber to carry on this war.

Mr. WATTS. That is correct.

Mr. PACE. And they are getting it in every State in this Union, and certainly, if you have a sufficient force to keep up with the cutting, why do you need any more survey?

Mr. WATTS. As a matter of fact, at the present time, and for the past 3 years, we have been doing very little on that phase of the forest survey. The bulk of our money for the past 3 years has been going into a determination of the requirements for forest products, and so forth, and that has been for the benefit of the war agencies. I mean, that seems to be our main job now.

Mr. PACE. And the War Department has given you several millions to do that.

Mr. WATTS. Well, no. We are putting in the Forest Survey money and the War Production Board is putting in about \$280,000 for that specific job.

Mr. PACE. I know, Mr. Watts, but we have a Budget letter, dated March 22, which states—this is from the acting director—

It is the feeling of this office that the War and Navy appropriation, rather than that of Agriculture should bear such expense, and the War Department has agreed to provide approximately \$2,750,000 or such other amount as may be necessary.

Now, you are not asserting that you are not getting \$300,000 from the Army and Navy Departments, to advise the airplane concerns and all the other users of lumber where to get their lumber?

Mr. WATTS. No; the bulk of that money you are speaking of there, Congressman Pace, may be that appropriated for the very scientific research at the Madison laboratory.

Mr. PACE. The point I am making is this—and I believe I am right on it, unless you can change my mind. Give me a minute on it, will you? The survey you have made and the survey you wish to make this year would be absolutely worthless the day this war is over, on account of such an enormous cutting of timber, that you are getting the money you need for your present requirements through the different war agencies, and it seems to me the things you wish to do, and what this committee should do, is to suspend this survey until the war is over and then make an up-to-date survey of what timber resources are left after the war. In that connection your department has a total of about \$50,000,000, has it not?

Mr. WATTS. Well, I am not sure as to the amount. I can get the figures on that.

Mr. PACE. You have got what looks to me like a lot of duplication:

Private forests and cooperation gets \$114,000; forest management, \$556,000; range investigation, \$256,000; forest products, \$1,000,000—\$1,000,000, and you said the thing you are doing mainly apply to products for war manufacture; forest surveys, \$140,000—you asked for \$250,000; forest economics, \$192,000; forest influences, \$133,000.

That is all beside the \$4,000,000 that they give you to fight fires; that is beside the \$4,000,000 additional emergency appropriation they gave you to fight fires. Whatever is necessary to preserve the forests of this Nation I am for, but it seems to me if we authorize you next year to spend money for the Forest Survey we are absolutely throwing money away, since you are receiving from the war agencies millions of dollars to give them the information they need about where they can find spruce, where they can find this and where they can find that. Certainly you have several millions of dollars to do that.

Mr. WATTS. Well, actually, Mr. Pace, the War Department and the Navy Department and the other agencies are furnishing us money for certain very specific things. For this particular item as to the requirements, production problems, and supplies of forest products, the appropriation or the allocation that they are getting is \$280,000, that comes from the War Production Board—\$280,000, plus the \$140,000 which the Congress appropriated for the forest survey is going into this project of furnishing war agencies with the information as

to the requirements and production of timber, by species and so on.

Mr. PACE. What is this one million for forest products?

Mr. WATTS. That is for research in new uses of wood at the Madison laboratory, almost all of it. It hasn't anything to do with this, which is something else. That is for the financing of the Madison laboratory.

Mr. PACE. I have before me here the hearings before the Appropriations Committee, which I have read with very deep interest. It appears that you have about \$52,000,000 to administer in dealing with forests.

Mr. WATTS. That is right.

Mr. PACE. It does seem to me, although I may be entirely wrong, that during this war, if you are administering \$52,000,000, you necessarily have several thousand employees. You have men out in the woods watching for fires. Why they can't make a survey while they are walking around the woods, I can't understand.

Mr. WATTS. Well, I do.

Mr. PACE. Well, maybe so. I hope you can convince me. You have thousands of employees all over this Nation, and you are spending \$52,000,000. I still insist any survey you make today is going to be absolutely worthless when this war is over. It is not going to be up to date on whatever you have done in my State, and you will have to go back and make a resurvey of the whole thing. The only point I am asking about now is, and I think I am reflecting the views of the people to whom you are going to have to go to get the money, because they tell me very definitely they are not going to regard this survey as a war measure—and I can tell you I think very definitely this is an activity that can be suspended until the war is over, and then, so far as I am concerned, I would give you a million dollars a year until you finish the job. I think you would be throwing the money away now.

Mr. WATTS. Actually we will not be doing much work on that phase of the forest survey during the war. Whatever money we get during the war, through appropriations, it is our expectation that that money will very largely go to provide information that our war agencies need as to the production and requirements of the times.

Mr. VOORHIS. How much has the War Production Board furnished you for that work?

Mr. WATTS. May I ask Mr. Forsling to answer that? He has had that in charge.

Mr. FORSLING. The War Production Board has allocated \$280,000 a year. We are spending approximately an equal amount, \$140,000 of which, this year, comes out of the item "Forest survey," which relates to this bill which is under consideration here today.

The CHAIRMAN. Let me get this in the record. As I understand it, the funds furnished by the War Department are not being used to make this survey contemplated by section 9 of the McNary bill.

Mr. WATTS. That is right.

The CHAIRMAN. It is an entirely different appropriation. Now, Mr. Pace asked why these forest wardens could not be making this survey, and this, that, and the other. Those people are not competent to make a forest survey; is that right?

Mr. WATTS. That is correct.

The CHAIRMAN. It takes a technical man to make a forest survey?

Mr. WATTS. That is correct, and they are busy, anyway, with their own job of protecting the forests.

Mr. PACE. To get the record straight, Mr. Chairman, the gentleman just stated that even the \$140,000 they got this year for the survey is not being used for the survey.

Mr. WATTS. It is being used for one phase of this project.

Mr. FORSLING. May I explain that? We used to cover new territory each year. The last State covered was the State of Virginia. But when the war came on and there grew up this need for the location of various species of timber for various purposes, such as aircraft and ship timbers, and so on, we were requested to assist as a regular part of our work on the survey—and the organization is well qualified both to supply this information and to assist the War Production Board in other ways in securing information on the rate of production and factors affecting production, why production was falling off, or was not increasing in places where it was needed—so the natural thing to do was to use these men that were engaged on the forest survey, supplemented with funds from the War Production Board to supply this specific information that the War Production Board needed in planning its production program. Now, as one part of our wartime job, we are endeavoring to keep current the information for the area already surveyed, so we will not get too far behind on our records, and we are keeping them as near current as possible.

The CHAIRMAN. And if you keep the survey current, none of this work will be lost?

Mr. WATTS. That is correct.

Mr. FORSLING. If we don't keep it current, our survey will all be lost.

The CHAIRMAN. Any further questions?

Mr. HOPE. I think possibly the question I intended to ask has been covered. I just want to get this clear in the record. What Mr. Pace said awhile ago seems to me to be true, so far as the value of your service is concerned, if you are not keeping it current. If you are keeping it current, there doesn't seem to me to be very much merit to his contention that it will be useless after the war.

Mr. WATTS. That is what we are trying to do.

Mr. HOPE. You are keeping it current—

Mr. WATTS. Yes, sir.

Mr. ANDRESEN. You get frequent reports, do you not, as to the cutting of lumber in the national forests and other areas throughout the United States?

Mr. WATTS. We do.

Mr. ANDRESEN. And you can therefore be in a position at any time to make an estimate as to the amount of timber available of the different kinds?

Mr. WATTS. So far as we have an overall estimate. Only half the forests, as I have said, have been covered by the basic survey.

Mr. ANDRESEN. In privately owned areas do they make reports to you of the cuttings that are taking place?

Mr. WATTS. Yes; both by way of surveys and maps.

Mr. VOORHIS. I am not familiar with the act you are operating under now. I notice this bill, H. R. 1456, authorizes "to complete and keep

current." Does the present legislation authorize you to keep it current?

Mr. WATTS. Yes.

Mr. VOORHIS. There is no change so far as that is concerned?

Mr. WATTS. That is right.

Mr. HOPE. That is correct?

Mr. WATTS. Yes; I think it is, but I would like to check the exact wording.

Mr. FORSLING. It doesn't specify in so many words. To quote from the act the last sentence—

* * * including a determination of the present and potential productivity of forest lands therein and all such other factors as may be necessary in determination of ways and means to balance the timber budget of the United States.

Mr. HOPE. You have interpreted that to mean, I assume, because you have been keeping it current, that that meant when you finished your survey it should be a complete survey, brought up to date, as of the date you completed it?

Mr. WATTS. That is right.

Mr. HOPE. And on that theory you have been keeping it current as you go along?

Mr. FORSLING. That is right, sir.

Mr. WATTS. That is right.

Mr. HOPE. You have this additional language in the proposed legislation for the purpose of authorizing you to keep it current after you complete the survey, is that correct?

Mr. FORSLING. That is correct.

Mr. PACE. Does the gentleman think it is absolutely necessary to add that language to keep it current? Because it is very apparent in section 9, where it fixes an absolute stop on the expenditure of money, when you have expended \$3,000,000 there certainly would be nothing with which to keep it current.

✓ Mr. HOPE. I think that is correct. The point I was interested in was to know whether they construed the present language as authorizing them to keep it current as they go along. Otherwise it would seem to me they need additional language.

Mr. POAGE. This bill is very peculiar in the way of phrasing. It doesn't say what the law is going to be when you get through here, except it says we are going to amend the existing law by making certain provisions like other provisions, and by removing the limitation on Federal appropriations. When you do that, how is it going to read?

Mr. HOPE. I am inclined to agree with the gentleman. I think this will have to be rewritten so that we will know what is going to be done.

Mr. WATTS. We can furnish you language which will place a limit on the authorization under this section, if that is your desire. We can do that.

Mr. HOPE. I think what we should do—I don't know whether the limitation should be there or not—but I think we should draft it along the same line as S. 45, and restate it with the changes in that you want to include.

Mr. POAGE. It is where there are any number of changes, and where there is a change in the amount.

Mr. HOPE. Don't you think, generally speaking, that would be preferable?

Mr. VOORHIS. I just wanted to ask—Mr. Pace mentioned the fact that the Forest Service is spending \$52,000,000 a year. What does that have to do with this survey proposition? How much of that are you spending on the survey, and how much on other things?

Mr. WATTS. All we are spending out of our forest-survey allotment under this heading is the \$140,000 that was appropriated for this project. The \$50,000,000 includes cooperation in the protection of private land, cooperation in production of nursery stock for use on farms, and all the costs of administration of timber sales on national forests and a great list of duties which the Forest Service is responsible for, and for this particular item, all that we spent on that is \$140,000, and that very largely for those features which at the present time are so badly and urgently needed for the carrying on of the war. Incidentally, included in the \$52,000,000 is about \$13,000,000 for the guayule rubber project, in the production of rubber, which is quite apart from the work we are doing in the protecting, developing, and growing of forests in the United States.

Mr. VOORHIS. You are using, however, about \$140,000 on this basic forest survey; is that right?

Mr. WATTS. Yes, sir.

Mr. VOORHIS. How much did you spend before the war?

Mr. WATTS. Never more than \$250,000.

Mr. VOORHIS. And now you are spending somewhat less than that. But you are actually spending more because the War Production Board has given you some money; is that correct?

Mr. WATTS. That is right; and it is largely for these requirements of production.

Mr. VOORHIS. As I understand it, your own money is being used together with that money, and all your survey work is being done with the view of giving the specific and immediately needed information, rather than from the standpoint of a long-range survey.

Mr. WATTS. Excepting that the information we are acquiring on timber production and on timber requirements for the War Production Board is being used by the Forest Service for keeping the work already done reasonably current.

Mr. VOORHIS. How much does that take?

Mr. FORSLING. It amounts to the equivalent of practically all the \$140,000.

Mr. VOORHIS. Then, in other words, you are spending all your own money to keep your survey current, you are spending the War Production Board's money getting the information needed for the war; is that right?

Mr. WATTS. Yes. It amounts substantially to that although the two jobs are all tied in together.

Mr. VOORHIS. If this bill were not passed, suppose we did not pass H. R. 1456, what kind of shape would you be in then?

Mr. WATTS. Congress might appropriate for the next fiscal year about \$293,000, if they wanted to. I mean that would be the limit, and when that limit is reached, the entire forest-survey project would have to be closed out. I mean, we would just have to liquidate it, and that would be most unfortunate.

Mr. VOORHIS. Just a minute. Do you mean to say that \$293,000 would use up the entire authorization for all time?

Mr. WATTS. For all time.

Mr. VOORHIS. Not just for the next year?

Mr. WATTS. No; for all time.

Mr. VOORHIS. That is, as soon as Congress appropriated \$293,000 more for this purpose, then there has to be another authorization anyway, if you are to continue this survey?

Mr. WATTS. That is correct.

Mr. VOORHIS. Then, as I get the picture, the purpose of this bill is to get the authorization so that you can have some assurance that you can continue this survey work in the future. Is that correct?

Mr. WATTS. That is correct.

Mr. VOORHIS. But it will not materially alter the work you are doing—the work you are going to do during the war.

Mr. WATTS. Not in the least.

Mr. VOORHIS. In other words, you won't do any more work on this survey during the war than you are doing now, even if this bill is passed?

Mr. WATTS. That is right.

Mr. POAGE. You mentioned a subject I wanted to ask you about. You said that \$13,000,000 of this \$52,000,000 was for the guayule project. Isn't it a fact that about half that money or maybe more than that was never spent and was actually turned back to the Treasury, and that you haven't got anything for guayule now?

Mr. WATTS. I would like Mr. Granger to answer that question. He knows more about that than I do.

Mr. GRANGER. That \$13,000,000 is in process of being spent now. What was turned back to the Treasury was something over \$7,000,000 left over from previous appropriations, appropriations covering previous fiscal years.

Mr. POAGE. You haven't any money to carry on the project with now?

Mr. GRANGER. We have money to carry on the project that was authorized at the time the current year's appropriations were made, but what we lack now is money to carry out the larger program which we have been asked to undertake by the Rubber Director.

Mr. POAGE. Wait a minute. A year and a half ago this committee had before it legislation to purchase the property of the Intercontinental Rubber Co., and we did purchase the property of the Intercontinental Rubber Co., a large corporation in California. We purchased all the seeds of the guayule plant in the world, I suppose, and we authorized the planting of test plots wherever you folks felt there was a reasonable chance of making a successful test. Now, as I understand it, you have planted two or three hundred acres in the State of Texas so far, as we are just ready to try a whole lot more, and you have got the plants on hand. That is right, is it not—you have the plants on hand now?

Mr. GRANGER. Yes.

Mr. POAGE. But you haven't any money to put them out. Am I right on that?

Mr. GRANGER. You are right about that.

Mr. POAGE. And the plants are going to waste if you don't get them out this winter, as I understand it.

Mr. GRANGER. That is right.

Mr. POAGE. They have got to be planted between now and March, have they not, in order to use that great volume of plants? And you have many other things; you built nurseries down in Texas, and put in pipes and that sort of stuff, and you are not using it.

Mr. GRANGER. The reason we are not using it is that it was installed in anticipation of the larger program for which we have no funds.

Mr. POAGE. You had the money at one time for that program. The present plan is a cut-down plan, is it not, due to the recommendation of the Rubber Director last March.

Mr. GRANGER. That is right; the present program is considerably shrunk from what we were once asked to do.

Mr. POAGE. And it was cut down, as I understand it, because the then Rubber Director decided that possibly we could get the rubber we needed from our good neighbors in Central and South America, and we should not offend anybody by growing anything ourselves, but we should import everything we intended to use, rather than try to grow anything in the United States. Is that the philosophy on which we failed to develop this program?

Mr. GRANGER. When the Rubber Director first asked us to hold in abeyance part of the appropriation recommendations we were about to make for the project, it was, as I understand it, because he was not sure how rapidly or how successfully the synthetic program would develop, and how much rubber would be available from foreign sources, and while that was still held in abeyance, along came the question of whether we should take land that could be used to grow food and grow guayule rubber on that, and the combination of those two things resulted in the shrinking of the project to its present size which calls for \$13,000,000 during the present fiscal year. Subsequently, however, the Rubber Director, having refreshed his opinion on what the rubber outlook might be felt he would like to extend the program substantially above the present dimensions, and that is the reason we asked for a deficiency appropriation, which is going through the congressional processes now.

Mr. POAGE. And which did not get anywhere in the House.

Mr. GRANGER. No, but the Senate subcommittee, and I think the full committee has approved that item and it will eventually get back to the House, I hope.

Mr. POAGE. I hope so, too. Let me ask you this question. Suppose you don't get that money, or even if you do, what are you going to do with all these seeds and all this nursery stock we have on hand? Can you sell some of that to private individuals?

Mr. GRANGER. There are several things we might do with those plants.

Mr. POAGE. You have to do something practical, and pretty quickly. You can't make up your mind today and actually get the program at work too soon to get these plants out.

Mr. GRANGER. We can either sell some of these plants to people going ahead with a program in Mexico. I doubt if we could sell many of them.

Mr. POAGE. What are you getting for those plants in Mexico?

Mr. GRANGER. I can't tell you the exact figure, but we sold them some plants down there at what it cost us to produce them.

Mr. POAGE. That was the General Tire & Rubber Co. down there?

Mr. GRANGER. No, the Intercontinental Rubber Co.

Mr. POAGE. The General Tire is also operating down there, I understand.

Mr. GRANGER. Not yet, I believe.

Mr. POAGE. Will you sell those plants on this same basis to anybody who wants them in the United States?

Mr. GRANGER. Yes.

Mr. POAGE. Have you any idea what they did cost?

Mr. GRANGER. Around \$5 a thousand plants.

Mr. POAGE. That is pretty high. You plant about 8,000 to the acre, I understand.

Mr. GRANGER. About 11,000. The cost is less now than it was when we sold the first plants.

Mr. POAGE. What about seed? Can you sell seed?

Mr. GRANGER. Yes, we have a lot of seed we could sell.

Mr. POAGE. Do you sell with it the method to make it sprout? The seed isn't worth anything unless you can make it sprout.

Mr. GRANGER. Yes; we sell all the secrets. A third thing we might do, is to keep these plants in the nursery until they get big enough to put through the factory and get some rubber out of them. That would be a rather doubtful procedure on the cost side, because the nursery rental is rather high, and we might not get enough out of it to justify operating the nursery a couple of years longer.

The CHAIRMAN. Mr. Poage, we are not dealing with guayule rubber in this bill.

Mr. POAGE. I think that the guayule question is rather important.

The CHAIRMAN. I think so, too, but it is not in here.

Mr. POAGE. All right.

The CHAIRMAN. We will get back on the bill and then if you have further question to ask when we have concluded, you may do so.

Mr. HALL. Dr. Watts, you are aware that in time of war we are often inclined to exploit our resources and so forth and go ahead and try to do a lot of things. You will recall in the First World War we did a lot of manufacturing of ships and so forth out of green lumber, and various articles that had no value whatsoever after the war. Will this survey in the case of forests contemplate the elimination of waste by recommendations on your part? Do you have any facilities to recommend, we will say, the avoiding of certain wastes of various kinds, by denuding certain lots, we will say, and saving others that you think might be more useful? In other words, so that we can enter upon this entire program intelligently and conduct our forest resources in a rational manner?

Mr. WATTS. Congressman Hill, the problem which you bring up is one that is of tremendous importance, insofar as the forest survey is concerned. As you can see from the presentation so far, it is primarily a fact-finding project. However, in writing our reports by counties and by State, and by regions, those facts are accompanied by recommendations as to the possible or desirable program for keeping our forest lands fully productive.

Mr. HALL. You see my point?

Mr. WATTS. I do.

Mr. HALL. I hate to see the United States Government get into a program—well, we are already in it—a program of war manufacture

where we will waste our natural resources. I think one of the greatest things we have, one of our greatest assets, is our forest land.

Mr. WATTS. Yes, sir.

Mr. HALL. Our forest preserves, and so forth, and my interest in your survey is solely to ask you if you feel we have saved a great deal in the way of our national resources and in providing for our future so far as the forest growth is concerned.

Mr. WATTS. I think that the survey is absolutely essential to working out the program which you suggest, and we do have to have the facts in order to work out the program.

Mr. HALL. Thank you.

Mr. WATTS. Mr. Chairman, I think I have presented about all I have in mind. The forest survey is, in my judgment, a tremendously important instrument in bringing about the practice of good forestry in this country. The authorization under which we are working is so nearly exhausted that we need this legislation we are talking about only in order that we may approach it on a wise basis. Otherwise we go into the next fiscal year on the basis of liquidating the project. I think it is very desirable that the action proposed here be taken, and if it is your wish we will furnish you with language having to do with limitation in the authorization.

The CHAIRMAN. I would like you to do that, and we can take that up when we take the bill up in executive session.

Mr. WATTS. We will be glad to do that.

Mr. PACE. Dr. Watts, in that connection, if Congress doesn't give you any more money than it gave you this year for the next 2 years, you would still have ample authorization for 2 more years, because you stated there was still a balance of \$293,000. They gave you \$140,000 this year. If they gave you the same amount for the next 2 years, you will have consumed only \$280,000 of the \$293,000, so I do not exactly grasp the idea of the emergency.

Mr. WATTS. Actually, we would hope that the Congress would give us more than the \$140,000. Last year the Bureau of the Budget approved \$200,000.

Mr. PACE. But they don't do the appropriating.

Mr. WATTS. I know they don't.

Mr. PACE. Dr. Watts, last year you had about \$203,000 for the fiscal year?

Mr. WATTS. Yes, sir; this year \$140,000.

Mr. PACE. You stated to the committee you expended that on the survey and the survey alone. Is that correct?

Mr. WATTS. On the various phases of the survey; that is correct.

Mr. PACE. Was that in new surveys or in keeping old surveys current?

Mr. WATTS. In keeping the old survey current and in the phases having to do with the production and the requirements for forest products.

Mr. PACE. Which is not a survey.

Mr. WATTS. Yes; it is one of the phases of the survey.

Mr. PACE. Will you file with the committee, today, if you can, not to be incorporated in the hearings, but for the information of the committee, the surveys you made in expending that \$200,000? A report of what you did, the surveys you made and so forth. Can you give us that today?

Mr. WATTS. What year are you talking about?

Mr. PACE. I am talking about the money you have already spent for 1943, the \$202,629 that was appropriated to you for the fiscal year 1943.

Mr. WATTS. That is the last full year?

Mr. PACE. That is right. That money has been spent. You are now spending, I presume, the \$140,000.

Mr. WATTS. We can get that for you.

Mr. PACE. I want a report on the surveys you have made. In other words, I want the report that is already prepared. What do you do with these reports when you prepare them?

Mr. WATTS. You mean the report of the expenditure of the money?

Mr. PACE. On the survey you make. What do you do with them, just file them away?

Mr. WATTS. No; they are used by many, many different people.

Mr. PACE. All right. That is what I want, the surveys that you made, and have furnished to the industry and the timber people and everybody else, the surveys that you made in expending the \$202,629 that was appropriated for the survey in the fiscal year 1943.

Mr. FORSLING. Mr. Chairman, may I explain or qualify that question just a little bit? During the fiscal year 1943 we issued a number of reports on the regular surveys that were in the course of preparation. Some have come out in this last fiscal year. But other than that, all of our work went into the supplying of specific information to the War Production Board.

Mr. PACE. That is the point I have been making, and you have been denying it—that every dime of this money has been going for war work and not for surveys. And now you said that.

Mr. FORSLING. It is a part of the survey. Supplying information is the whole object of the survey. And during the last two years, preceding this fiscal year, the work was aimed in that direction, of keeping this current and supplying information to the War Production Board.

Mr. PACE. I want you to file with the committee a statement showing the expenditure of this \$202,629, and file with the committee every report that you prepared to the War Production Board, the Army, the Navy, private interests, private timber holders, as the outgrowth of your expenditure of that \$202,000.

Mr. FORSLING. That will be a very large number of reports, currently spread over monthly and quarterly periods, and current correspondence back and forth on filling the particular requests of the War Production Board. I will be very glad to supply as many of these as I can, but we can't get that information to you today.

Mr. HOPE. May I ask the gentleman—you don't mean that it is to become a part of the record?

Mr. PACE. No; no. I have stated that.

The CHAIRMAN. I am sure Mr. Watts will furnish us with any information that they have, and in connection with your appearance here, at the conclusion of your testimony, may I say that in my opinion the Forest Service is the most efficient department we have in the Federal Government, and it does more good with less money than any other department.

Mr. WATTS. That is very kind of you, Mr. Chairman.

STATEMENT OF HON. JENNINGS RANDOLPH, A MEMBER OF
CONGRESS FROM THE STATE OF WEST VIRGINIA

Mr. RANDOLPH. Mr. Chairman and gentlemen of the committee, I appreciate the opportunity of bringing to your attention H. R. 1456, which is a companion bill to that pending in the Senate introduced by Mr. McNary, of Oregon.

I am furnishing as a part of my statement a map, which I believe will be of interest to you.

(The map in question is on file with the committee.)

Mr. Chairman, I have introduced an amendment to H. R. 1456, which has to do with the national forest survey. It, of course, relates to section 9, of the McSweeney-McNary Act of May 22, 1928, which authorizes a Nation-wide forest survey in the United States and provides for an authorization for appropriations to continue the work.

Unlike the other sections of the act, section 9, to which this amendment would go, contains a restrictive financial limitation. Its purpose is to remove this restriction and place this section on the same basis as the other sections of the act, and thereby make possible the completion of this forest survey.

The forests in my own State of West Virginia have not yet been inventoried. This act was passed several years ago, as we know, and work started in 1930 on a limited scale, but our total forest land is by no means covered by this inventory. It is an enormous undertaking because forests cover some 600,000,000 acres in the United States, or approximately one-third of our continental confines. This survey, which studies all forest land, not only public but private, is progressing too slowly. The need for the information is urgent because it is basic to sound forest policies and programs—by States, regions, and nationally, which are especially necessary in post-war work.

After more than 300 years of settlement this country is still forced to rely on estimates or guesses about a national resource which keeps numerous industries going and paying wages which support five to six million persons. In addition, woodlands help support 2½ million farm families. The Government spends millions to collect information on the production of soil crops other than timber, and I think the farmers are entitled to the same consideration regarding their woodlands which make up one-third of our commercial forest land.

Forest lands supply game with food and shelter and millions of Americans with opportunity for recreation. Forests conserve water and help prevent floods and erosion.

Forests are one of our most important renewable natural resources. They must be managed, not mined. This resource must be perpetuated and made secure for the people. And I would like to paraphrase my prepared statement at this point by saying that certain scientists and research experts in America today believe that it is very possible that within 40 or 50 years from now we will be thinking very definitely in terms of the production of fuels from wood products, and so I would like to attempt to reinforce what I have said here on the other values of forest products from the standpoint of a possible source of fuel in the future.

To set up this type of program we must make it perpetuating, and we must bring it to the people in a manner which will cause it to be secure. To set up policies and programs to do this requires authentic information such as the forest survey is obtaining on the extent, location, and condition of forest land and the timber on it, the rate of depletion and the present and prospective requirements of the country for the forest products which we know will be increasingly used.

As I conclude, I should like to say that the Forest Service, at my request, informs me that when the survey was begun it was estimated that without the benefit of precedent or experience with which to guide their activity, that on a 12- to 15-year job basis the cost would be six-tenths of a cent an acre. It is taking longer and it is costing more to do, and it is believed that it is slightly in excess of 1 cent an acre to carry forward this program, largely due to the meeting of the heavy demand for its findings and for the necessity of broadening the scope of the work to keep pace with our land planning in the United States.

Only one-half of the total forest area, mainly in the Northwest, the Lake States, and the South, has been covered by field work. The equally time-consuming and more difficult office analysis for this area is about three-fourths completed.

Much of this progress was accomplished, as you gentlemen know, with emergency funds, but they are no longer available, and perhaps, at least in the immediate future, they would not be in prospect.

The maximum appropriation of \$250,000 per annum under the present act is only enough to analyze the information for the 300,000,000 acres studied, keep up with requests for information and inventory from 5 to 10 million acres per year. The survey, therefore, I believe it is fair to say is almost stagnated in the middle of the job, and at present is devoting a large share of its time to necessary work for the War Production Board and other defense agencies of the Government, and the most urgent reason, as I see it this morning, for the passage of the amendment which I have proposed, is that the \$3,000,000 authorized to start the survey will be practically exhausted by the coming year's appropriation.

The work must then stop, unless we authorize funds for an additional appropriation.

Requests continue to come to the Forest Service from Federal, State, and private agencies and individuals for results of the survey, even though incomplete, and they are utterly lacking for one-half the forest area nationally, including West Virginia, California, the Northeast, Central, and Rocky Mountain regions. Moreover, the completion of the program is essential to the execution of whatever type of forest conservation the Congress may formulate as a result of its own studies.

Of course, I desire the forest survey to reach West Virginia soon after the end of the war and to carry on and over the rest of the Nation quickly. I believe, also, that information on forest lands for all the other sections is likewise necessary for post-war plans which must extend over State boundaries in many cases and become regional and national programs.

Under the limitations of the present act this is impossible. If H. R. 1456 is enacted adequate appropriations would be authorized so that the survey could be completed nationally in the new few years, which I feel would be a thoroughly constructive undertaking.

I would be glad to answer any questions.

Mr. HOPE. As I understand your bill, you would take off any limitation on the total amount which might be appropriated for the completion of this work?

Mr. RANDOLPH. That is right. In the beginning we had \$3,000,000.

Mr. HOPE. I think you have shown that is not sufficient, but don't you think this committee should put some limitation in there, rather than just take off the limitation and leave it entirely up to the appropriation committee? Don't you think we should try to find out what amount is necessary to complete it, and then put some limitation in there?

Mr. RANDOLPH. I believe the gentleman from Kansas is correct, and I believe in the testimony of the officials of the United States Forest Service that that can be determined by questions, and I certainly would say, Mr. Hope, that your suggestion should be followed up by this committee.

Mr. HOPE. You wouldn't have any objection to an amendment of that kind?

Mr. RANDOLPH. No; in other words, I think it would strengthen this resolution in its presentation to the House.

The CHAIRMAN. Under the present act you have an authorization of \$3,000,000?

Mr. RANDOLPH. That is correct, and about half the job done.

The CHAIRMAN. As I understand it, that authorization is limited to \$250,000 a year.

Mr. RANDOLPH. That is correct.

The CHAIRMAN. Do you think that limitation should be taken off? Does the Forest Service need more than \$250,000 a year to carry on this survey?

Mr. RANDOLPH. I believe that question can be better answered by the officials of the Forest Service. It was thought originally that amount would be programmed each year and the work could be done constructively. You must remember that there came the impact of war, and perhaps after the war it may be necessary to do this job a little more quickly, so that any additional annual appropriation may be desirable.

Mr. PACE. Notwithstanding the authorization up to \$250,000 a year, Congress did not give you but \$140,000 last year.

Mr. RANDOLPH. That is right.

Mr. PACE. There doesn't seem to be any pressing need for increasing the annual appropriation. The forest reserve has requested \$200,000.

Mr. RANDOLPH. That was last year.

Mr. PACE. For the present fiscal year.

Mr. RANDOLPH. Yes, sir.

Mr. PACE. And I notice here in the act that the House and Senate agreed on \$140,000. There is one other question I would like to ask. Does the gentleman feel that under existing conditions this work should be carried on right now?

Mr. RANDOLPH. No; I don't, Mr. Pace. But I do feel it is the proper time for this committee to act in connection with the future development through the authorization in the amendment I have suggested.

Mr. PACE. I might say that I referred this amendment to some members of the appropriations subcommittee, and they are very evidently of the opinion that it is not a war measure, an emergency does not

exist at this time. I have no views on that myself. That is the reason I was asking the gentleman what his reaction was.

Mr. ANDRESEN. Mr. Randolph, you indicated the survey would be completed within a few years. Just how many years do you think it would take to complete the survey?

Mr. RANDOLPH. I would say approximately 10 years. That simply is my own feeling. I say 10 years, and I am advised by officials of the Forest Service that it could be and probably would be completed in from 6 to 8 years.

Mr. ANDRESEN. And that would terminate this type of work, or would it be a continuing problem to analyze and survey new areas after that period?

Mr. RANDOLPH. No; I think we would have done the job.

Now there may be reason, at certain times after this information which has been accumulated, to be used for certain intensive surveys in various parts of the country, but I believe the over-all job would be completed, and I can see no reason for large expenditures of money in connection with further developments.

Mr. GILCHRIST. That may be true, but it would be a continuous appropriation.

Mr. RANDOLPH. That is true.

Mr. ANDRESEN. What is the minimum amount that will be necessary to complete this survey over this 6- to 8-year period?

Mr. RANDOLPH. That again would be a guess on my part. I suggest that Mr. Watts and other men of the Forest Service could better direct their answers to questions of that type.

Mr. GILCHRIST. How many acres did you say there were in these forest lands?

Mr. RANDOLPH. Six hundred million.

Mr. ANDRESEN. Of course, of those 600,000,000, it is probably true that most of it is not accessible. That is, it is great forest lands where there are forests alone, and not farm lands.

Mr. RANDOLPH. Some of it is certainly inaccessible and is not used for farming in the sense which we understand that term.

Mr. ANDRESEN. And probably never would be.

Mr. RANDOLPH. And probably never would be. Of course we do know that there are about two and one-half million farm families which actually exist off the products of the farm lands in connection with their agricultural pursuits. I think they go hand-in-hand in certain sections. In others they do not.

Mr. GILCHRIST. I will try to get your idea of the real farm lots here. I think we ought to preserve the forests of this country, but the suggestion that it should go to the farmers, or would go to the farmers is hardly appropriate, because most of this land is not accessible, and therefore it will simply mean that it will be forest land alone, timbering alone, for some time to come.

Mr. RANDOLPH. I don't believe, Mr. Gilchrist, I entirely agree with your premise. I believe the majority, of course, of the forest lands in America are impracticable as of the present for use for farming activity, but I do believe there is a considerable acreage which supports not only the farm population, but also makes a good yield from the standpoint of forest products.

Mr. GILCHRIST. Undoubtedly that is true. You say here in your bill that this appropriation should be handled on the same basis as

the other appropriations are. I don't know whether you said in your statement what that will be. How are the other appropriations allocated?

Mr. RANDOLPH. There is a financial limitation in connection with it.

The CHAIRMAN. May I interrupt there, Mr. Gilchrist? I believe the Forest Service will furnish us with all that information.

Mr. GILCHRIST. That is all right. I would like to know what the bill does.

Mr. RANDOLPH. Yes; and I want to answer any questions. It is not my desire to switch the testimony to others.

Mr. GRANGER. In answer to Mr. Pace, about the appropriation and the authorization of \$250,000, as we had it last year, the subcommittee on appropriations used as an argument that this was not in the interest of the war effort. They did not deny that the Forest Service needed what they asked for, but they cut it down because they thought personnel and other things were unavailable to carry on the work. Is that true?

Mr. RANDOLPH. I think that is true. They felt, during the prosecution of the war, it would just be in the nature of a development that the personnel and materiel would not be ready to do a job on. I do feel that we failed to plan as well as we might have for the use of our forest products in connection with the prosecution of the war. I believe that is testified to by many persons.

Mr. GRANGER. Yes; I think that is true in connection or in justification of the use of private funds in connection with the Federal grants. It would be very practical, would it not, to fight fire, or to cope with the menace of beetles, if forest grounds and private grounds were mixed up together?

Mr. RANDOLPH. I agree with the gentleman. I believe there has to be this over-all control.

Mr. GRANGER. And the same with flood control?

Mr. RANDOLPH. Yes, sir.

Mr. GRANGER. I wish to say to the gentleman that I wish to congratulate him on the introduction of legislation of this kind. It is a very fine piece of legislation.

Mr. RANDOLPH. Mr. Granger, I deeply appreciate that comment, and I am happy, Mr. Chairman, to have had the opportunity of appearing before the committee.

Mr. WICKERSHAM. Mr. Randolph, your bill was introduced in the House before the one that was introduced in the Senate, or were they introduced at the same time?

Mr. RANDOLPH. This legislation has been presented twice in the House. The reintroduction of the bill, the one we are now considering, was January 22, 1943, and I am not advised of the introduction date of the companion bill in the Senate. I should say the companion bill in the Senate was introduced approximately 2 weeks prior to this measure.

Mr. WICKERSHAM. You also had one pending last session?

Mr. RANDOLPH. That is right. It is a reintroduction of legislation which was sponsored by Mr. McNary and myself on that occasion.

The CHAIRMAN. We thank you, Congressman Randolph.

Mr. RANDOLPH. Thank you, Mr. Chairman, and members of the committee.

The CHAIRMAN. Colonel Greeley.

STATEMENT OF COL. W. B. GREELEY, SECRETARY-MANAGER, WEST
COAST LUMBERMEN'S ASSOCIATION, SEATTLE, WASH.

Mr. GREELEY. Mr. Chairman, perhaps I can clear up two or three of the points you have had under discussion.

In the Pacific Northwest, western Oregon, and Washington, with which I am familiar, the original survey has been completed. It has been published in a very convenient form. You will find that report in the offices of practically every lumber company and timber company in the region. Beyond that the Forest Service has been able there to make a check survey of 21 of our most important timbered counties in western Oregon and Washington. Their check survey was made approximately 10 years after the first survey, and that gave us a current picture of what was happening in those 21 heavily timbered counties by way of current timber depletion, the amount of regrowth, the acreage of denuded land that is not in timbered crops, in comparison with the land that is in timber crops, and this data, both the original survey and the check survey, is the basis of our whole forest calculations in the region. It is the only authentic basic study of forest resources that we have, and we all use it, the forest industries, the States and the Government, in all our plans and calculations.

It seems to me, sir, especially during this period of war, and as a preparation for post-war planning, that it is most important that that type of information be made available for all of the forested States, and the very fact, sir, that heavy inroads are now being made upon our forests for war necessities, is all the more reason, in my judgment, why we should currently keep our information up-to-date, to know just where our timber resources are being badly depleted, and as we enter the post-war period, just what we have left in the way of both standing timber and in growth, oncoming in growth, and in answer to the question of the gentleman here, this survey is the only authentic basis we have to tell us just where we stand in forest drain versus regrowth, what the gap is.

In our region, for example, the check survey of the 21 counties shows that we are gaining in forest growth, but we are not gaining fast enough, and we still have a serious gap to overcome before our regrowth catches up with the rate of present use of our timber.

That is just basic information, sir, to any sound national forest policy, just an inventory to start with, and I think, especially as we consider the inroads of the war, and the need for post-war planning, this is most essential information.

Mr. ANDRESEN. You represent an association on the Pacific coast which consists of the private ownership of forest land in that area?

Colonel GREELEY. Yes, sir.

Mr. ANDRESEN. Do not the private interests make annual surveys of their holdings of timber, so that they have a pretty good idea of the amount of standing timber and the amount of timber that is cut?

Colonel GREELEY. Yes, sir. The more substantial companies do that. They know what their cut is from year to year, and have a pretty fair idea of their resources in the way of new timber. But many of the outfits do not, Mr. Andresen; many of the small loggers have no records. There is a vast acreage of small holdings in our region, of which there is no accurate record except that obtained by

the Forest Service in these studies. Of course, the timber owners who have accurate cruises of their timber turn all that information over to the Forest Service, and they use it in compiling their totals for the region.

MR. ANDRESEN. That was what I was trying to get at, whether or not there was cooperation between the private owners and the Forest Service in supplying the information.

Colonel GREELEY. I think Mr. Watts will tell you the forest owners who have accurate timber cruises have been glad to turn them over to the Government for use in this compilation.

MR. ANDRESEN. Of course, the gap you refer to in production catching up with demand, the reason for the big gap is because of the big demand at the present time for lumber for war purposes.

Colonel GREELEY. As a matter of fact, the present cut for war purposes is no greater than our cut in many years for peacetime purposes, but at the same time the gap is there, and we are having a serious inroad in our highest quality timber, like airplane timber, battleship decking, pontoon timber. We are cutting into that very rapidly because of war necessities. That is all part of the basic information we should have. The industry needs it in planning our post-war program in forestry.

MR. ANDRESEN. You cut as much as you can get men and machinery to cut it with?

Colonel GREELEY. Yes, sir. Our present limitation is manpower. We would cut half as much again if we could get the men to do it with, to meet war requirements.

The CHAIRMAN. Colonel Greeley, you appear here as representing the West Coast Lumbermen's Association. I want to ask you if at one time you were head of the Forestry Department of the Government.

Colonel GREELEY. Yes, sir.

The CHAIRMAN. For how many years?

Colonel GREELEY. I was with the Forest Service for about 25 years altogether, and about 8 years as Chief.

The CHAIRMAN. I just wanted the record to show that.

Colonel GREELEY. Thank you, gentlemen.

STATEMENT OF P. L. BUTTRICK, REPRESENTING THE AMERICAN FORESTRY ASSOCIATION, WASHINGTON, D. C.

MR. BUTTRICK. Mr. Chairman, my name is Phillip L. Buttrick. I represent the American Forestry Association.

This association was one of the sponsors of the McSweeney-McNary bill which established the forest survey under discussion today. This forest survey has never been completed. In whole sections of the country it has never even been started. The original \$3,000,000 authorized has been practically exhausted. The passage of this bill, H. R. 1456, is therefore necessary to enable Congress to make the required appropriations to continue and complete it.

Its completion is essential to an understanding of the relation between growth and drain on our forests. No lumber or pulp company could make future plans for its operation unless it knows the relation of cut and growth on its holdings.

Neither can the people of the United States establish sound policies until they know the relation between growth and drain on the forests of the country as a whole.

The officers and directors of the American Forestry Association therefore endorse the principles of H. R. 1456.

The CHAIRMAN. We thank you for your statement, Mr. Buttrick. Mr. Brenckman, of the National Grange.

STATEMENT OF FRED BRECKMAN, WASHINGTON REPRESENTATIVE OF THE NATIONAL GRANGE

Mr. BRECKMAN. Mr. Chairman, my name is Fred Brenckman; I am Washington representative of the National Grange.

Perhaps one of the greatest sins with which the American people are chargeable lies in the manner in which we have squandered our forest resources. Even the celebrated Coal Oil Johnny was not more prodigal in squandering the easily acquired wealth which came to him from underneath the ground than we have been in dissipating the great natural wealth of our forests. It is important that we should take proper steps to conserve what remains of this wealth and to provide for sustained timber production.

The National Grange is interested in the completion of the forest survey, because one-third of the forest land of the Nation is in farm wood lots, which contribute substantially to the support of 3,000,000 farm families.

The CHAIRMAN. What acreage did you say was in the farms?

Mr. BRECKMAN. I said one-third of our forest lands are in farm wood lots.

Our farm wood lots comprise about 185 million acres, or an average of about 50 acres per farm. Between 6 and 7 billion board feet of lumber is required annually by our farmers. In addition, vast quantities of fuel wood, posts, poles, and so forth, come from these wood lots. It is, therefore, important that they should be properly handled.

But before any natural resource can be intelligently managed, basic facts about it must be available. The forest survey is obtaining this information for both private and public forest lands of all kinds as a basis for sound programs and policies.

As we understand it, about one-half of the country's forests have been surveyed, and the appropriation made to conduct this work is nearly exhausted.

The National Grange has formally recommended the speedy completion of the forest survey. The war has brought home the critical need for information on farm production, whether it be food, fiber, or lumber. Since the purpose of the forest-survey amendment which is now being considered is to authorize funds to complete the survey for the remainder of the country, we favor its enactment. Considerable funds are expended annually to obtain production data on farm crops other than timber, and we feel that more facts about the wood lots are needed for sound land-use management on farms.

Mr. ZIMMERMAN. You say we authorized about \$250,000 a year, and about \$3,000,000 was authorized for this purpose. We have been running about 6 years on this survey.

Mr. BRECKMAN. We have been running longer than that, I guess. The act was passed in 1928, and the members of the Forest Service can tell you how long they have been at it. I don't know exactly.

Mr. ZIMMERMAN. It would take about 6 years to cost \$3,000,000, according to your figures.

Mr. BRECKMAN. It would take longer than that. At \$250,000 a year, it would take 4 years to exhaust a million. It would take 12 years to exhaust the whole of it.

Mr. ZIMMERMAN. You spoke of the number of acres that are in farm wood lots.

Mr. BRECKMAN. My statement was that there were about 185 million acres in farm wood lots, and that the average farm wood lot amounts to about 50 acres.

Mr. ZIMMERMAN. Hasn't the Department of Agriculture over the years been making a study of the proper use of timber on our wood lots on our farms, and devoting a lot of time and investigation to that problem in connection with agriculture?

Mr. BRECKMAN. Yes; the extension foresters have been of great help to a few farmers in managing their farm wood lots properly. They show them which trees to cut and many other things, and right now in a few places a marketing program is in effect under which the farmer is advised how to estimate the value of his timber. That is an important matter for the average farmer. A speculator or somebody like that may come around and say, "I will give you a thousand dollars for the timber on your place." The farmer, not having an accurate idea as to the value of the timber, might fall for that proposition, where if he had a chance to consult with somebody to make an intelligent estimate for him, that person might say, "Why, you can get a thousand dollars for half of it, and still have the rest." It is of great value to the farmer to get the right kind of information when he needs it.

Mr. ZIMMERMAN. That is being supplied by the Department of Agriculture, is it not?

Mr. BRECKMAN. Yes; in limited areas.

Mr. ZIMMERMAN. So the necessary information as to the handling of these lands is handled by a group already set up.

Mr. BRECKMAN. Yes; but only in a few areas.

Mr. ZIMMERMAN. In addition to the Forest Service?

Mr. BRECKMAN. That is right. In addition to men on the national forests.

Mr. GRANGER. This 185,000,000 acres you are talking about is not forest land, is it? That is, in the sense we were dealing with forest lands this morning.

Mr. BRECKMAN. It is in the form of wood lots attached to the farms. In this section of the country in particular, most farms have a wood lot, and if you put them all together the total is about 185 million acres.

Mr. GRANGER. Private acres; they belong to individuals.

Mr. BRECKMAN. Yes.

Mr. GRANGER. It doesn't belong to the Forest Service?

The CHAIRMAN. It is not national forests.

Mr. GRANGER. It doesn't belong to the national forests.

Mr. BRECKMAN. No; it doesn't belong to the national forests; it is a part of the farms. It is privately owned land. The farmers own it, but still, as I pointed out, about one-third of all the forest lands in the United States is comprised in farm wood lots, part of the farms.

Mr. POAGE. Have these farm wood lots been covered by this survey in the past; has it reached them?

Mr. BRECKMAN. I think it has reached them, but not in this section. They have simply surveyed to date the Northwest and the Lake States, and the South. I suppose in the South and in the Lake States it has covered the farms.

Mr. VOORHIS. Suppose a farmer were up against a proposition like you described a while ago; where would he go to get that information?

Mr. BRECKMAN. Well, he would have to get it from the extension forester, I think. They work in cooperation with the State forestry departments. In my home State, Pennsylvania, we have a first-class department of forests, and naturally it cooperates with the Federal department. But the few foresters can serve only a small fraction of the farmers.

Mr. HILL. Has the National Grange gone on record as favoring this legislation?

Mr. BRECKMAN. Yes; we formally endorsed it in national convention.

Mr. HILL. They passed a resolution?

Mr. BRECKMAN. Yes, sir; that is correct.

Mr. ANDRESEN. In connection with this survey of woodlots, could a farmer who has a woodlot request the Forestry Service to come in there and endeavor to find out how much he has of the different sizes; is that part of the survey?

Mr. BRECKMAN. I think so; wherever that service is established, it would be available to him.

Mr. WATTS. Might I answer that for the record?

Mr. ANDRESEN. Yes.

Mr. WATTS. Actually, so far as this particular project is concerned, we include the farm woodlots in the system of survey. It would not be sufficiently detailed for the farmer to use for an estimate of the timber on his 50 acres. I mean, it is accurate for the amount in the county or a group of counties or some such unit. The service the farmer gets in cases like you have mentioned comes through the Norris-Doxey Act or similar acts, from the extension forester, where the specific purpose is to give him just that sort of aid and assistance.

Mr. ANDRESEN. Under the proposed survey in his bill you would make just a sort of general estimate?

Mr. WATTS. That is right.

Mr. ANDRESEN. Of the holdings, or the amount of timber a farmer might have without coming in to make an actual survey of each tree to find out how much lumber he has on his lot.

Mr. WATTS. It would not be sufficiently detailed to use for such a purpose.

Mr. BRECKMAN. As I understand it, Mr. Andresen, the survey has been made by counties or larger areas. We were talking about services that were available to the farmer. That is not an essential part of this survey, as I understand it.

The CHAIRMAN. Thank you, Mr. Brenckman, for your appearance.

Mr. WAITS. Mr. Chairman, as you know, the State forester of Maryland, Mr. Kaylor, was here on Friday, ready to testify in behalf of this bill, and he could not be here today. He left me a two-page statement which he would like to have included in the record.

The CHAIRMAN. That may be done.

(The statement is as follows:)

BENEFITS TO BE DERIVED FROM FOREST SURVEY BY THE RESPECTIVE STATES—REMARKS BY JOSEPH F. KAYLOR, STATE FORESTER, 1409 FIDELITY BUILDING, BALTIMORE, MD., REPRESENTING ASSOCIATION OF STATE FORESTERS

In many States, forestry departments are considered the keystone of the conservation arch. Yet, as things stand, State officials must attempt to build a structure without adequate architectural plans. The forest survey will supply facts and figures for such plans.

State forestry agencies are continuously asked to produce factual information for forest industries, especially when emergency arises, and high-grade products are in demand. Many of the 41 States which I represent here today do not have the facts and figures to supply timber-using agencies, nor do they have this information to say definitely that we should or should not cut or remove what is very likely to be valuable growing-stock that may be sacrificed in a very wasteful manner. State forestry departments have, therefore, been placed in the rather awkward position of discouraging additional development of forest industries for fear that new industries will remove much of the potential wood fiber, and thereby wreck havoc in existing industries now using products of the forest.

State forestry departments are charged with the protection of nearly 400,000,000 acres of forest land. I must admit, as a representative of the State foresters, that we do not have adequate data on which to submit state-wide forest fire protection plans based on a knowledge of conditions, costs, and an acceptable plan of action. This cannot be worked out until we know more about the basic conditions of our timberlands, such as the total stand of timber, condition of the growing stock, growth and drain on the timber. We must have information upon which to establish forest transportation systems, the location of fire towers, and to determine administrative districts. It is also essential to indicate the ultrahigh hazard areas where intensive forest-fire protection is imperative.

As the agencies to whom our citizens look for information on forest products, the State foresters are continually called upon to make market studies, and similar investigations, but are faced with obsolete or inadequate information to form a basis for such activities.

Forest-type maps such as are developed by the forest survey should prove invaluable to other bureaus of the State conservation agencies. I refer to the assistance which could be rendered to game and fish authorities by supplying them with vegetative-cover maps to show what lands are best adapted to raising deer or quail, and what the carrying capacity of these lands is at the time of the investigation. With the survey's facts and figures State foresters are in position to effectuate a Nation-wide flood control program in the uplands. I am thoroughly convinced that for every dollar spent for intensive fire protection and upstream engineering work, a greater return in flood control and prevention of soil erosion can be derived than from any other public expenditure.

To permit State officials to function as they should in the public interest, we hope that your committee will approve and authorize a continuation of the forest survey.

The CHAIRMAN. We will adjourn now until 10 o'clock in the morning, when we will take up the remaining forestry bills.

(Whereupon at 11:55 a. m. the committee adjourned, to meet at 10 a. m., Wednesday, December 8, 1943.)

FORESTRY

WEDNESDAY, DECEMBER 8, 1943

HOUSE OF REPRESENTATIVES.
COMMITTEE ON AGRICULTURE.
Washington, D. C.

The committee met at 10 a. m., the Honorable Hampton F. Fulmer (chairman) presiding.

The CHAIRMAN. The committee will come to order.

We will have first the statement of Congressman Stockman, of Oregon, on this matter.

STATEMENT OF HON. LOWELL STOCKMAN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF OREGON

Mr. STOCKMAN. Mr. Chairman, I speak in behalf of H. R. 1621, as introduced by me on February 1, 1943. This bill was introduced as a companion to S. 250, which Senator McNary, of Oregon, introduced in the Senate and which was passed in amended form on July 8, 1943.

The present form of S. 250 is the result of long and favorable conferences on the part of representatives of the Department of Agriculture and of the Department of the Interior. As passed by the Senate, S. 250 has the unqualified approval and recommendation of Secretary Claude R. Wickard, of the Department of Agriculture, and Secretary Harold L. Ickes, of the Department of the Interior. It would, therefore, appear desirable to amend H. R. 1621 to conform with S. 250.

Therefore, it is my hope and recommendation that this committee sees fit to recommend the amended H. R. 1621 for consideration by the House. The bill as approved by the Secretaries of the two interested Departments is vital to the future economy of the district which I represent.

My district includes some 12,496,000 acres of timberland with a total estimated stand of 101,698 million board feet of merchantable timber. Of the total area, 4,067,000 acres are in private ownership, 6,137,000 acres are in national forests, 1,162,000 acres are under the administration of the Office of Indian Affairs of the Department of the Interior, 47,000 acres are Oregon and California revested lands, and are also under the administration of the Department of the Interior. The remaining areas are in national parks, State lands, county lands, and other public ownership. The timberland owners and mills located in my district produced the bulk of Oregon's ponderosa pine, which in 1942 totaled 1,722,578,000 board feet.

Enactment of this sustained-yield bill, as it is known, will assure continued livelihood to a considerable portion of the population of eastern Oregon through the establishment of sustained-yield units which will assure the continued existence of the forests. Many of the forest operators whose properties are in my district do not own sufficient forest lands to assure continuous operation of their manufacturing plants. However, under arrangements such as would be authorized in this bill, if enacted, their properties can be combined with forests in Federal ownership so that the combined area can be economically operated on a sustained-yield basis.

This bill carries no appropriation, but does authorize Congress to appropriate such sums as it may consider to be necessary from time to time. The immediate costs incident to the contemplated hearings will be met from funds available for the protection or management of the federally owned or administered forest lands within the proposed unit.

The bill is in conformity with the act of August 23, 1937, under which the revested Oregon and California lands are being administered by the Department of the Interior. The principle of co-operative sustained-yield units and authority to sell timber without competition at not less than the appraisal value to responsible purchasers within the communities is in conformity with section 2 of the Oregon and California Act, and with that portion of section 1 which reads:

Timber sales from a forest unit shall be limited to the productive capacity of such unit and the Secretary is authorized in his discretion to reject any bids which may interfere with the sustained-yield management plan of any unit.

Without desiring to burden this committee with a lengthy statement, I would be glad to include for the record the names of several responsible companies whose employees as well as owners have expressed a desire for its early enactment. Moreover, the principle of this legislation was unanimously recommended for enactment by the Joint Congressional Committee on Forestry in its report to Congress dated March 24, 1943.

The CHAIRMAN. Mr. Watts.

STATEMENT OF LYLE F. WATTS, CHIEF, UNITED STATES FOREST SERVICE

MR. WATTS. Mr. Chairman and members of the committee, Mr. C. M. Granger, in charge of administration of the national forests, is the best qualified to present the evidence on this bill of anyone in the Forest Service.

As a field officer of the United States Forest Service, I want to say that I have long felt that legislation of this character is highly desirable in the interest of conservation. I think it will go a long way to keeping privately owned forest land on the tax rolls and that it will bring about a really great deal of excellent forest practice on the privately owned lands, which otherwise would not be.

I would like to ask Mr. Granger to handle this testimony for the Forest Service.

The CHAIRMAN. Mr. Granger, we would like to hear from you.

STATEMENT OF C. M. GRANGER, REPRESENTING THE UNITED STATES FOREST SERVICE

Mr. GRANGER. Mr. Chairman and members of the committee, one of the principal purposes of this legislation is to make it possible to have sustained-yield forestry practices on a considerable area of privately owned timberlands within the boundaries of the national forests, or immediately adjacent thereto, which without the benefit of the arrangements sought to be authorized by this legislation would probably be cut on a liquidation basis. Within a relatively short time the private timber would be gone and the communities primarily dependent on the operation of that enterprise would be left in a serious condition.

Within the national forests, which unfortunately were set up in the West, and even more so in the East, so late that a large part of the best timber had already passed into private ownership, there are substantial areas of private timber, many of which are already being operated, and they lie right next to national forest timber, which because of the geography of the country, so to speak, would go to the same operating point. In many cases those bodies of private timber, both the mature timber and the young timber, within the ownership are not great enough to interest the private owner in putting them on a permanent sustained-yield basis, or to make it practicable for him to do so, but if they could be combined with the adjacent national forest timber, there would be enough there to make a permanent operation feasible from the standpoint of the economics of the operation, and attractive to the owner, and I might say that a great many owners are becoming more and more interested in operating on a permanent basis instead of liquidating and closing out within a relatively short period of time.

Our principal concern here is not with the private operation as such, but rather with the community which is dependent on it, and there are a great many communities whose existence depends largely, if not entirely, on the continued operation of a sawmill or other wood-using plant. So what is proposed here is to authorize the department, either in the case of Agriculture for the national forests, or the Department of the Interior, where the lands under their administration are involved, to make a binding agreement with the owner of private timber which would otherwise be operated on a liquidation basis, whereby he will pool his timber for example with the national forest timber, cutting his timber in the manner and at a rate to be specified by the Secretary of Agriculture, and agreed upon by the private owner at the time this arrangement is set up, in return for which the private operator would have the privilege of buying the national forest timber as he comes to it, and as it is needed, to furnish part of the operating base, without competition which would make it possible for somebody to outbid him and take the timber away from that community for operation elsewhere, the effect of which often would be to create a new community not heretofore dependent on this timber, at the expense of one which has established a material dependence thereon.

In other cases competitive bidding would take the timber away from an established community and put it into the general log market where the logs may be divided among a number of mills, not one of

which could be put on a permanent basis by having the benefit of sharing in the products of the area.

"The other feature of the legislation is to authorize the department to set up a sustained-yield unit consisting almost entirely of publicly owned timber, and providing for the sale of that timber without competition to an operating plant in a community which similarly has built up a heavy dependence upon the continued operation, and prevent the timber being taken to other places where the same degree of community dependence does not exist."

In either case the legislation provides for full hearings before any such unit is set up, or before any cooperative agreement is made, which would commit the publicly owned timber, so that anyone, any community, or any individual, who has what he thinks is a legitimate interest in the proposal would have full opportunity to be heard before any commitments by the department concerned are made.

It also provides that after such a unit is set up and a cooperative agreement entered into, but before any specific sale of timber is made to the cooperating party, public notice will be given, and if anyone deemed to have a legitimate interest desires to have a hearing before that transaction is consummated, that is provided for.

The doing away with competition in the sale of national forest timber, of course, departs from the traditional method established by legislation under which this public timber is sold. The process we go through in selling national forest timber is this; this applies to any sale where the value is more than \$500. We make as careful a determination as we can of the quantity and quality of the public timber, about what it will yield in the way of lumber or other products, what grades, and what the worth of the end product will be. We then determine as accurately as we can what it would cost to get the timber out and manufacture it, and the difference between the cost of operation and the value of the product which will be sold is divided then between a stumpage payment going to the public and a reasonable allowance for profit and risk to the operator.

When we put the timber up for competition there may or may not be more than one bid on it, depending upon how many operators are in position to bid. We have many cases in which there is only one bid because of the fact that no other operator is close enough to be interested in the timber, but we also have a great many cases in which there is quite lively competition, and through the operation of this competitive influence we have had confirmation, throughout the years, of the soundness of the appraisal procedure which we have followed and wherever there is a difference between the offered price by the bidder and the appraised value as determined by the department, it has not, under normal conditions, been very great, but to the extent that we have received higher offers than we advertised the timber for, that has in itself served to establish a value level for the national forest timber, which gives a good indication of what other bodies of timber, similarly located and of similar accessibility, are worth, so that we have a pretty reliable basis on which to determine the value of any other timber which would be sold without competition.

We feel, however, that the amount of money which the public receives for the timber is not necessarily the primary consideration. We would like to see the Government get all that the timber is worth,

but actually we believe that the net returns to the people as a whole are larger from those benefits which accrue to the labor which is used in harvesting and manufacturing the timber and in the taxes which come from the improvements necessary to that, and the stability of communities which are engaged largely or wholly in operating these timber bodies. In other words, it is more a matter of the over-all returns, tangible and intangible, from the operation of that timber which concerns the public, as owner, than the actual dollars and cents which it gets in the form of stumpage.

So, to reiterate, our primary concern in advocating this legislation is to furnish greater stability to dependent populations and not for the benefit of the owner of private timber as such."

The CHAIRMAN. Right there, just how would this S. 250 operate? Just give us an illustration of how it would operate. As I understand it, the privately owned timberland would be tied in with the Government timber.

Mr. GRANGER. Yes, sir.

The CHAIRMAN. And you would have a sawmill there that would be more or less permanent?

Mr. GRANGER. Yes.

The CHAIRMAN. And the cut of that sawmill, as I understand it, would be based more or less upon the annual stumpage available. How would you tie these farmers into that program? You have to enter into an agreement which runs with the private land?

Mr. GRANGER. Yes.

The CHAIRMAN. Would that agreement be binding upon the vendee?

Mr. GRANGER. That is right. Perhaps I can start at the beginning and sketch out a typical situation.

The CHAIRMAN. I wish you would do that.

Mr. GRANGER. We might have a situation in what we call the working circle, which is a geographical area in which the timber can be fed to a central point. Within that working circle a private owner may own enough timber so that if it were put on a permanent basis, he could cut 15,000,000 feet a year. His investment in the sawmill and other improvements might be such that he figures he cannot make money by cutting only 15,000,000 feet a year, he would have to cut 25,000,000 in order to pay out his investment, or he may not be interested, from the standpoint of his own timber alone, of trying to perpetuate that timber. But there is another body of timber right in that same neighborhood owned by the Government, which is national forest timber, we will say, which has a permanent capacity of 10,000,000 feet a year. So we add that to his timber, which makes a total operating cut possible of 25,000,000 feet a year, which is enough to allow him to place his operation on a permanent basis in consideration of the investment he has in it, so we make an agreement with him which might run for 40, 50, or 60 years, depending largely on how long it would take to cut the area over the first time, which would prescribe the rate at which the timber would be cut which belonged to him, and the rate at which the Government-owned timber would be cut, the cutting methods that would have to be employed, what is the proportion of his timber that would have to be left on the ground for a second cut, the care he would have to use in logging not to destroy the new

growth, the care he would have to exercise to observe fire precautions, and all those things that are necessary to insure the proper protection and proper operation of the stand.

He may start in on his own timber first and cut some of that, and then go to a patch of national forest timber, next in cutting order. At that time we would make a sale, appraising the value of the stumpage on the basis I have described, and he might cut for 3 or 4 years on the national forest timber and then go back on his own timber, and switch back later to the national forest timber again, depending upon the way the timber lies.

This agreement would be of such a nature that if he should sell out in whole or in part, any person to whom he sells would be similarly bound, and under the legislation, if he or his successor fails to continue to abide by the terms of the agreement, the legislation provides the Attorney General can go to court and get a court order enforcing compliance.

The CHAIRMAN. Could Farmer Brown enter into an agreement with the Government with respect to the way his timber would be marketed?

Mr. GRANGER. If the farmer had enough timber so that he could put it on a sustained operation basis along with the Government timber he would proceed exactly as I have described.

The CHAIRMAN. Whom would the farmer enter into an agreement with?

Mr. GRANGER. With the Government.

The CHAIRMAN. At so much per thousand feet, is that right?

Mr. GRANGER. He would be permitted to buy the Government timber at so much a thousand feet.

The CHAIRMAN. Just to develop the thought I had in mind, the agreement is for \$5 per thousand stumpage, let us say. Suppose the timber market goes down and that price for the stumpage is too high, or suppose it goes up and it is not high enough, what adjustment will be made?

Mr. GRANGER. Where we now have a long-time timber-sale agreement, running for more than 3 years, there is a provision in the contract by which the Secretary of Agriculture reappraises the value of the public timber which has been sold, and if the market has gone up substantially, he may fix the price of the stumpage higher than the initial figure. If it has gone down, he cannot go below the original price at which the timber was appraised. That, we believe, may be somewhat of a defect in the present law, but that is a matter of law—that the timber cannot be sold at less than its appraised value. If the price has once been adjusted upward above the \$5 figure which you used, then at the time of the second appraisal, if the market has dropped again, we can cut back to the \$5.

The CHAIRMAN. How often are these reappraisals made?

Mr. GRANGER. Usually every 3 years in the national forests.

The CHAIRMAN. You cannot go back of that low value of \$5 that I have used to develop the point, but suppose the lumber market goes to pieces, and the operator cannot afford to pay \$5 for stumpage and operate at a profit, is there a provision made to adjust it?

Mr. GRANGER. As I say, there is no authority under the law under which we sell timber to drop below the \$5 you have used, but we have other means of relief which are at least partially effective. One is to

amend the terms of the agreement by which he can postpone cutting of all or a part of the publicly owned timber until the market takes a turn for the better.

The CHAIRMAN. And that adjustment can only be made, under the bill, every 3 years?

Mr. GRANGER. No. That can be done at any time. The regular period is 3 years, but if conditions radically change in the interim at the option of the purchaser, if the price has been raised, a reappraisal may take place.

Mr. ZIMMERMAN. Can you tell me what legal barrier there is at this time which will prevent the Government from entering into such a contract with a private owner, without any additional legislation?

Mr. GRANGER. Yes. The present law, sir, requires that where national-forest timber being sold has a value greater than \$500, it must be sold through competitive bidding.

The CHAIRMAN. This cuts out the competitive bidding?

Mr. GRANGER. Yes.

Mr. ZIMMERMAN. That is the law that exists today as to all Government sales.

Mr. GRANGER. That is true of the national forests.

Mr. ZIMMERMAN. It is true as to all sales, I believe.

Mr. GRANGER. On what they call the Oregon and California grant lands, which are under the administration of the Department of the Interior, they have legislation which authorizes them to do most of what is proposed in this legislation. In other words, they can set up sustained-yield units and sell the timber thereon without competition if that is necessary in order to insure a sustained-yield operation. So that to that degree this pattern has already been established as to a part of the publicly owned timber.

Mr. ZIMMERMAN. This doesn't repeal any existing law, but it furnishes additional powers for the forestry department to deal with these tracts of land, is that right?

Mr. GRANGER. That is right. It does not at all repeal the provisions for selling national forest timber by competition, but merely waives it in these circumstances.

Mr. ZIMMERMAN. As I understand this, this plan is to enable the Government, in sections where there are private tracts of land, which might not be of a character that the operator could afford to go in there and market his timber in an orderly way, or where it would not be profitable for him to do that, by entering into an agreement with the Government where it has Government timber to sell, he can get a sustained profitable operation, and at the same time market his timber in an orderly way, so as to preserve the timber and do it in such a way that the timber would have an increasing value from year to year.

Mr. GRANGER. And maintain a permanent business for the community.

Mr. ZIMMERMAN. That is the purpose of this thing. It is a kind of cooperative scheme for the private owner to act in cooperation with the Government and have a profitable unit of land to operate over a long period of time, and then at the same time preserve the proper forestry practices and timber removing practices. That is the objective of this legislation?

Mr. GRANGER. Yes, sir, for the benefit of the community which is dependent upon this enterprise.

Mr. ZIMMERMAN. And it does not repeal any existing law as to how the Government can dispose of its larger tracts of timber where there is keen competition or great demand for it. It is only to bring these private tracts into a position where they can be properly handled?

Mr. GRANGER. That is right, and we would be extremely cautious about entering into such arrangements, to make sure we did not do so in situations where free competition would be more in the public interest.

Mr. ZIMMERMAN. In other words, this supplements your present marketing plan of Government-owned timber?

Mr. GRANGER. Precisely.

Mr. ZIMMERMAN. There is no way, then, in which this does away with the old plan. It just gives additional assistance, and I believe the gentleman from the Grange testified yesterday that 50 percent of all our timber reserves were in private owners, in wood lots.

Mr. GRANGER. I believe one-third is owned by farmers. At any rate, a very large proportion of the timber is owned by farmers, but an equally large proportion is owned by industrial owners. The Government is in the minority ownership; the national forests own about one-third of the remaining commercial timber in the country.

Mr. ZIMMERMAN. Of course, this plan you have been discussing here would apply to private timber owners as well as to the owners of farms.

Mr. GRANGER. Except that it is not very often that a farmer would have enough timber so that he could go into a sustained-yield operation in any large way. He can operate his own little patch of timber on a sustained-yield basis, but it is doubtful whether many farmers would have an operation on which there would be community dependency.

Mr. ZIMMERMAN. Really, then, this plan is applicable to the private timber interests, that own large tracts of timber scattered throughout the country.

Mr. GRANGER. As a usual thing the timber bodies which would lend themselves to this sort of an arrangement are fairly large. They would have to be if there is large community interest in them. However, under the other part of the bill, which would enable the Government to set up these units of Government timber only, in order that some community might not be stripped off, they could be much smaller in their dimensions than might be the case under the co-operative arrangement. They may have a fairly small mill.

Mr. POAGE. I just want to go into this phase of the thing. I think this idea of keeping it on a sustained basis is sound. I think that is a splendid idea. But I have not understood the legal procedure you are going through whereby you would get a contract with somebody where even though he sells out you are going to be able to enforce it. What are you going to do, buy an interest in his land? Unless you take an actual interest in his land, I don't think you can enforce that contract.

Mr. GRANGER. Of course the contract is one in which there are substantial considerations on both sides, and I can only quote the lawyers on that.

Mr. POAGE. You are going to record that in the deed record?

Mr. GRANGER. It is going to be recorded, yes.

Mr. POAGE. As affecting the right in that land?

Mr. GRANGER. Yes, sir.

Mr. POAGE. In other words, that contract is going to give the Government the right—or give it a right in the privately owned land, and give the private owner a right in the Government land? || v

Mr. GRANGER. That is right, in the way I have described.

Mr. POAGE. And that is what creates the cooperative arrangement. Actually it may be just an agreement between the Government and the operator.

Mr. GRANGER. In many cases there may be but one operator, in other cases there may be more than one. The legislation provides for protecting the minority interest.

Mr. POAGE. It speaks of this as a cooperative arrangement. Actually that is not, in the sense of a cooperative, exactly right, is it?

Mr. GRANGER. No; it is just in the sense of cooperation between the Government and a private party. I think it is fair to say this, too, that even if we lacked the legal authority to enforce the contract, our belief is that after a private operator got started on this kind of a deal the advantages of a permanent operation would soon become apparent to him, so that he would have no desire to pull out.

Mr. POAGE. I don't question the advantages of that. They seem clear to me. But I did want to see what the legal basis of it was.

Mr. ZIMMERMAN. Have your attorneys gone into this phase of it? While you have existing law providing a method whereby the Government-owned timber may be marketed, in other words, by the competitive system, the very nature of this contract is just a little different from an ordinary sale of timber. It has in view the preservation of the timber, and a continuation of forestry development, and the proper marketing. Do you really think that you have to have that additional law to enter into such a contract? What does your legal department think?

Mr. GRANGER. They say we must have this legislation, at least for two things: One is to authorize the sale of the Government timber without competition, and the other is to give us a binding hold on the private owner so that we can enforce compliance with the terms of this agreement. ✓ *

Mr. ZIMMERMAN. I would say that the mutual covenants in such a contract or agreement between the parties are such, as I understand it, that the Government would have the right to enter into an agreement with a private owner in such a way as to bind him, because when the Government gives something back to him, which it is giving, I assume, in the way of forest protection, advice, and furnishing statistics and things, that would be a sufficient consideration to bind the owner anyway. It seems to me that the only inhibition against such a contract under the existing law—this is just an offhand opinion, would be, maybe, the provision in the law requiring competitive bidding in all sales. But there is more than a sale in this, as I understand it. This has to do with the management and operation of these forest reserves, along with the disposition of the timber.

Mr. GRANGER. We have a representative of the Solicitor of the Department of Agriculture here, if you would like to question him on that subject, sir.

Mr. ZIMMERMAN. It occurs to me there is a very interesting legal question there. I am not answering Mr. Poage's question, of course. You know you can sell land, and reserve the timber on it——

Mr. WICKERSHAM. And you can sell the timber and reserve the land.

Mr. ZIMMERMAN. Yes; you can sell the timber and reserve the land, and you can sell land and likewise reserve the oil or gas or all mineral substances in the land. That can be done, so that there would be no trouble along that line.

Mr. POAGE. I don't think there is any question about the right of anybody to sell any interest they want in any property they own. The only question I had here was were you going to make this an actual sale of a portion of the land that comes in under this contract. I think you have to make the sale at the time you enter into the contract if you are going to make it run with the land. Of course you can make a perfectly good contract, as you suggested, with the owner of this timber that he should do a certain thing, even without selling anything, and make it binding, as long as you can get a judgment against him, but if he sells the land to me, unless that is a covenant which runs with the land, I can repudiate it.

Mr. ZIMMERMAN. That is a covenant which runs with the land.

Mr. POAGE. It has to be so written. I don't say you can't do it.

The CHAIRMAN. I think we can get over the legal objections. But here is a fellow, Brown, who owns land adjacent to a national forest. Now he enters into an agreement with the Government, and the Government enters into a contract with sawmill A, to put in an operation. It would have to be for 40 or 50 years, it would be a permanent sawmill operation, which would be a real asset to that community. I can see those advantages. But now Farmer Brown has this contract for stumpage at so much an acre. I don't know whether stumpage will go up, or go down. But say in 20 years from now that stumpage is not worth as much money as what Farmer Brown got for his stumpage 20 years before. Are you going to adjust that price with Farmer Brown?

Mr. GRANGER. I guess I didn't catch the significance of your question when you brought that question up before. The cooperator is not paid for his stumpage. He operates his stumpage in the regular manner, puts it through his sawmill, and whatever he makes is profit to him. But when he buys the Government stumpage he pays so much for it, and if we give him a long-term contract, say for 15 years, then every 3 years or oftener, if the situation changes radically, we reappraise the value of that stumpage we have sold to him.

The CHAIRMAN. You, as the Government, would reserve the right over a 3-year period to adjust the price of the stumpage?

Mr. GRANGER. That he buys from us?

The CHAIRMAN. No, what Farmer Brown is paid.

Mr. GRANGER. He doesn't sell us any stumpage at all. He merely agrees he will operate his timber on such a basis that we will have a continuous operation. So he keeps under control all his timber, so far as the value of it is concerned, but merely agrees to operate it under specified conditions which will insure its permanency.

The CHAIRMAN. Suppose Farmer Brown is unable to agree with the sawmill man as to the value of that stumpage, what happens?

Mr. GRANGER. That is a transaction between Farmer Brown and the sawmill man, but we provide here that in case Farmer Brown's land was located right in the middle of this big man's holdings, and the big man would have a stranglehold on him, we would try to work out some arrangement whereby the big man would have to pay Farmer Brown a decent price for his timber as part of the consideration. In other words, we protect the little fellow that happens to be inside this unit.

The CHAIRMAN. But Farmer Brown, under the legislation, would not surrender any of his contractual rights to the Government?

Mr. GRANGER. No, no.

The CHAIRMAN. He would still stand there as the owner of that timber, and it would be up to him to contract with the sawmill operator?

Mr. GRANGER. That is right.

Mr. WICKERSHAM. There is no possibility, under this contract, that Farmers Smith, Brown, Jones, or Tom, Dick, or Harry, might dispose of their holdings and thereby create a monopoly by some big lumber company getting it all, including their rights?

Mr. GRANGER. Yes, that is possible. If there were some small holdings within this general unit, not controlled by a major interest in there, they might buy those up and thereby establish a monopoly. I think this permits monopoly in that sense, but we think it is a benevolent monopoly, because it operates to the advantage of the community concerned, by establishing a permanent set-up. We have to have a certain degree of monopoly here or the thing will not work at all. The monopoly consists in buying Government timber without competition. ✓

Mr. WICKERSHAM. About how many years will it take us to get back to the position where we were at the beginning of this war with reference to the stand of timber? So much timber has been slaughtered; there hasn't been much kiln-dried or air-dried or anything else. They have just been cutting this green timber, a lot of it immature and constructing various projects with it. When will we get back to the place where we were before the war, using the normal supply of lumber? About how many years do you think it will take?

Mr. GRANGER. That is pretty hard to speculate on, because it involves the question of how much of a building program, public works and otherwise, will take place after the war. Of course, there will be a building deficiency in housing units that normally would have been constructed over this period, were it not for the diversion of the lumber to military purposes, and there might be quite a substantial public-works program, which will use considerable quantities of timber. So it is conceivable there may be a continuing demand for a few years which may be close to the present proportion of lumber used. On the other hand, it could occur that there would be a substantial slump as there was during the depression when the consumption dropped away down. We hope not, because that is a bad thing. To me it is better to avoid that slump, even though the forests are suffering somewhat, than it is to have too sharp a decline there. But it seems almost certain that there will be some drop in the consumption of lumber after the war, unless we go into the business of furnishing some to other countries for rehabilitation. Personally I doubt whether there will be very much of that shipping of lumber abroad.

Mr. WICKERSHAM. Even with a drop in consumption let us say it goes down gradually, for 3 years, using practically the same as we are using now. How many years will it take us to get back to where we were? The type of lumber we will get will be nothing like as good for a number of years. I would just like to get a general idea, using about the amount of lumber we are now using, how long it will take. Won't it take 20 or 25 years to get back where we were in 1940?

Mr. GRANGER. It will take much longer than that in some places. For instance, in the South, where they have gone in and cut small timber, barely big enough to make 2 x 4's which never should have been cut, it will take some time to regrow that. Out in the Pacific Northwest, where they have been cutting mature timber, there will still be a lot of that left, because they are only part way through the original virgin stand so we will still have fairly normal operating conditions out there at the close of the war. I think Colonel Greeley brought out yesterday the fact that during the war the cut has been no greater than the normal cut. It all depends on the part of the country. In the East, they have been cutting down little timber that never should have been cut at all; in the West there has been much less of that. There will be practically no elapsed time until we get back to normal in some places, and in other places, up to 25 or 50 years.

The CHAIRMAN. Right there, if we enact this legislation, would the Government have supervision over the marketing of Farmer Brown's timber? Would the Government step in and say, "You can only market certain trees here which are ripe and should be put on the market?" Will the Government tell him he hasn't the right to cut small timber?

Mr. GRANGER. If Farmer Brown happened to be the one with whom we made this cooperative agreement, that would be the case. We would expect him to cut his timber in what we regard to be the proper way, to leave the small trees and cut the big ones. But if Farmer Brown were the farmer you suggested who might ultimately sell his timber to the saw mill, this legislation would have no effect on how he cuts his timber, but through our extension border we would try to coax him to cut the right way and show him where he could make more money doing so.

Representative GRANGER. Does this legislation apply solely to timber reserves?

Mr. GRANGER. It applies solely to the timber, but it applies to publicly owned and privately owned timber.

Representative GRANGER. These contracts you are talking about only apply to timber, or might they apply to any private land other than forests?

Mr. GRANGER. No, it applies only to timber. It is a forest operation bill.

Representative GRANGER. But where it says here "to regulate the water supply, stream flow, prevention of soil erosion, and the preservation of wildlife," does that all have to do with forest lands?

Mr. GRANGER. Yes, those are some of the things which are affected by the methods employed in cutting timber. If the timber is cut off the land may wash away, and it may impair the habitat of wild life and what not, whereas if it was cut properly there would be benefits in protecting against soil erosion and preserving the habitat of

wildlife, and other things that are the benefits of the proper way of cutting timber.

Representative GRANGER. How do you define a forest up in the Mountain States? There you would have forests that do not have any timber, but in those regions there is wild game and there is also the possibility of soil erosion. That would come under this, would it not?

Mr. GRANGER. No, sir; that would not be affected at all. This merely applies to a situation where there is timber to be cut, and the idea is to combine the private-timber holding with the public-timber holding, under the first part of the bill, so that the two will be operated as one unit and both the private timber and the public timber would be cut in the same beneficial way.

Representative GRANGER. That is all, Mr. Chairman.

The CHAIRMAN. If there are no further questions, we thank you, Mr. Granger, for your statement.

**STATEMENT OF FRED H. LANG, STATE FORESTER OF ARKANSAS,
LITTLE ROCK, ARK., ON BEHALF OF THE NATIONAL ASSOCIATION
OF STATE FORESTERS**

Mr. LANG. Mr. Chairman and gentlemen of the committee, the National Association of State Foresters, the forest industries and the timberland owners of the South being vitally interested in the permanent establishment of sustained yield forestry within the United States, believe that favorable action on S. 250 will do much toward furthering the orderly development of our forest resources. The forestry committee of the council of State government are in accord with this recommendation.

To emphasize the importance of S. 250, I would like to point to one illustration from my own State of Arkansas, a company now keeping its own lands in continuous production, whose permanent existence depends upon assured availability of Federal stumpage. The company now owns in fee over 600,000 acres of forest land adjacent to and mingled with the Ouachita National Forest. On this land and two large saw mills the company pays a substantial tax to the State and Federal Governments. Furthermore, its present policy of purchasing second-growth lands where possible, indicates its desire to remain in the forest products business. However, under plans for permanent operation, an annual production of 60,000,000 board feet of lumber cannot be sustained from its own lands alone. This contention is based on the fact that the Ouachita National Forest consisting of 1,000,000 acres, I understand now has a peacetime production budget of approximately 25,000,000 board feet. This simply means that the company must look elsewhere for stumpage if they are to sustain permanent operation.

The company has for many years acquired national-forest stumpage through competitive bidding to piece out its production schedule. Too frequently it has had to bid against temporary operators whose overhead and operating expense is low and who, owning no lands of their own, have little communal or tax obligation. The resulting uncertainty of obtaining sufficient Federal stumpage at reasonable prices

puts the pressure on company-owned lands to meet production schedules which might result in overcutting.

The company, having the assurance of a continuing substantial and definite amount of national-forest stumpage, as provided for in this bill, with the sense of permanence it would give, would feel free to invest in the development of more complete utilization of the forest. This would permit the utilization of low-grade species, top-wood, and so forth, in the manufacture of such wood flour and various forms of cellulose, and so forth.

The company cited is but one of 6 operating companies who now own their own forest lands and practice selective cutting thereon, who would benefit materially from a continuous and assured source of Federal stumpage. Three of the companies are already following out the principles of the bill by cooperatively managing farmers' and other landowners' timber for continuous production. This work is done in accordance with plans provided and prepared by technical foresters.

The passage of this bill will encourage all types of operators to retain their cut-over lands and acquire additional lands, thus enabling them to work out a cooperative sustained yield unit.

Favorable action on this bill is requested on the basis that it will; (1) Stabilize permanent forest industries, provide a continuous source of labor, build up permanent communities, and maintain a stable tax base; (2) assure a continuous and ample supply of forest products; (3) encourage the development of an investment in forest industries, designed to utilize more closely the products of the forest; (4) assist in the regulation of water supply and stream flow, help prevent soil erosion, and do much toward the amelioration of climate and the preservation of wild life.

Mr. ZIMMERMAN. Where is this mill you mention located?

Mr. LANG. The company I cited?

Mr. ZIMMERMAN. Yes.

Mr. LANG. It is located in Arkansas.

Mr. ZIMMERMAN. Near what place?

Mr. LANG. One mill north of Hot Springs, and one mill in southwest Arkansas. The mill at Hot Springs is within 6 miles of the national-forest boundary.

Mr. ZIMMERMAN. That is called the Ouachita National Forest?

Mr. LANG. Yes, sir.

Mr. ZIMMERMAN. And you have a million acres in that national forest?

Mr. LANG. Yes, sir; over a million acres.

Mr. POAGE. I want to ask you, not in criticism of the bill, but as to the effect it is going to have in the South. Arkansas is the only State that has any substantial national forests in the South, is it not? I know there are some in Tennessee, of course.

Mr. LANG. I don't think they are as large as the 2 in Arkansas, however.

Mr. POAGE. Arkansas is probably the only State that has any substantial national forests in the South, is it not?

Mr. LANG. Yes, sir; and one of the oldest.

Mr. POAGE. Because there was Federal land in Arkansas, and there wasn't any Government land in some of the older States, and none in Texas. Of course, we just started the only national forests we have.

They are something we started in the last few years. I am glad you have national forests, but this would not be effective in most of the Southern States, would it?

Mr. LANG. I think it would be effective in quite a few of the States where the timber the Federal Government has acquired is reaching maturity. It is a general rule that there are considerable acreages of private ownership adjacent to Federal forests.

Mr. POAGE. I know that is true, but where there are no Federal forests, this simply would be of no benefit to those areas.

Mr. LANG. No.

Mr. POAGE. That is no condemnation of the principle, of course, because it is effective where there are Federal forests, but it doesn't actually hold out any hope to east Texas, does it?

Mr. LANG. Well, possibly not immediately, but I would say that it would in the future. I, frankly, do not know the situation in Texas. I know the national forest there is very much smaller than in Arkansas.

Mr. ZIMMERMAN. The whole purpose of this bill is to use the federally owned tracts of land—in these Government forests we have set up, in connection with the local interests in the proper marketing of timber. ✓

Mr. LANG. Yes, sir.

Mr. ZIMMERMAN. If you don't have any federally owned timber, why then there is no need of this act, because there is nothing to contract on.

Mr. POAGE. That is what I wanted to be sure about. I don't condemn the thing because it doesn't affect our section, but I don't want to try to tell my people at home it does affect them if it doesn't. That doesn't mean I have any objection to helping out the fellow it does help.

Mr. ZIMMERMAN. In the Ozarks we have large tracts of forests.

Mr. POAGE. Privately owned.

Mr. ZIMMERMAN. No, Government, too.

Mr. POAGE. I don't mean that personally I think the principle is not sound.

Mr. WICKERSHAM. I think what the gentleman pointed out, is that this program will be beneficial to Texas because it will protect the entire lumber industry and lumber supply of the whole United States, thus benefiting Texas indirectly. I originally came from Arkansas, and all through that country now, while maybe this bill is not effective now, it might help in protecting that lumber supply, because they are just cutting and slaughtering timber of all sizes all through the Ozarks, from Springdale, on east. And I am wondering if we are not being rather free with the Government timber even at this time.

Mr. LANG. I frankly don't think that. We have 11 operating companies in Arkansas that are practicing sustained yield, and on their own timberlands, which are nowhere near a national forest, and they are doing a good job. And in the northern hardwood regions there is considerable overcutting. But I can conceive that in a long period of time, when the forests build up, that an established community may be built and a small industry may be built by cooperating upon the private land in a certain area.

Mr. WICKERSHAM. Can you give me any idea how much your Select No. 1 White Oak is bringing? What do the mills pay for that per thousand feet?

Mr. LANG. I would hesitate to say. I haven't heard of any recent sales. The last one I heard of, a private sale, was something over \$27. That was on the stump. That was high grade, and it would probably bring considerably more than that at the present time. That was more than 8 months ago.

The CHAIRMAN. Have the State foresters of the United States an organization?

Mr. LANG. Yes, sir.

The CHAIRMAN. Has this been taken up by that organization?

Mr. LANG. Yes, sir.

The CHAIRMAN. Has it the approval of the organization?

Mr. LANG. Yes, sir.

The CHAIRMAN. If there are no further questions, we thank you for your statement.

Mr. LANG. I have a statement that I would like to submit for the record, showing the operating policy of six Arkansas companies.

The CHAIRMAN. That may be done.

(The statement is as follows:)

Table¹ showing operating policy of 6 Arkansas companies adjacent to the national forest

Company	Land owned in fee acres	Production, M feet	Farmers forest land now managed by county	National forest timber cut
Dierks Lumber & Coal Co.	600,000	60,000	6,000	Yes.
Ozan Lumber Co.	80,000	30,000	15,000	Yes.
C. W. Lewis Lumber Co.	17,000	8,000	-----	Yes.
Green Lumber Co.	4,000	6,000	-----	Yes.
Burnet Wyss Lumber Co.	90,000	16,000	-----	Yes.
Hatton Lumber Co.	15,000	10,000	5,000	Yes.

¹ All of the above companies are now operating on a sound forestry basis.

STATEMENT OF COL. W. B. GREELEY, REPRESENTING THE WEST COAST LUMBERMEN'S ASSOCIATION, SEATTLE, WASH.

Colonel GREELEY. Mr. Chairman, I hope I don't wear out my welcome before this committee.

There are just one or two points I would like to add to what you have heard.

The first is that the principle behind this legislation, as Mr. Granger told you, has already been approved by the Congress, in the case of the administration of the Oregon and California revested lands in the State of Oregon, which is now under administration by the Department of the Interior.

Mr. POAGE. What do you mean by that, revested lands? Lands taken from the railroads?

Colonel GREELEY. The former grants to the Oregon & California Railroad which was later revested in the United States by act of Congress and placed under a special form of administration. Mr. Muck of the Interior Department is here, and I hope that you will hear

him with reference to that, particularly because that is administered on the same principle in administering the public timber that is now proposed for general application to all public timberlands by this bill.

In the case of the O. & C. lands, as we call them, with which I am somewhat closely in contact, they are now developing approximately 20 sustained-yield units, each of which will contain an area of Government land and a substantial area of private land. Many of those are small units, units to maintain small operations on, for the benefit of small communities down in central Oregon. The operation of that act is already stabilizing the forest industry. It is tending to stabilize the pay rolls of the industrial establishments at these various Oregon communities, and it is also tending to keep the manufacture of the timber in the local hands, instead of letting it follow the drift toward the large manufacturing centers on the Columbia River to the north, and there a very evident effect of this type of administration in establishing the local communities built around forest manufacturing, and it is also tending to hold private lands in private ownership, and on the tax rolls, because this type of private ownership whereby the private owner can cooperate with the Federal Government in building up a permanent enterprise is just the antithesis of the other thing he might do and has done to a large extent in our territory—cutting his stumpage off and letting his land go to the county for tax delinquency.

When you get an operation working along permanent lines under this type of public administration you tend to keep all the forest lands in its present ownership and on the private tax rolls, and you just help stabilize the whole situation from every standpoint, which we feel is its greatest merit.

The effect of this bill would be to broaden the application of the same policy to other types of timberland in public ownership, the national forests, the Indian reserves, and other lands, and there are many other localities where the same type of stability would be of great advantage in the long run to the communities, to the labor identified with various industries, and to the permanency of the forest reserves.

In our judgment these advantages greatly offset whatever disadvantage may result from a departure from the principle of straight competition in the disposal of public property.

I know that that principle of straight competition has great weight with Congress, and very properly so, but under this proposed bill the application is so safeguarded by advertisement and by hearings, so safeguarded from abuse, and the departure from the competitive principle is applied only when the responsible Federal officer is satisfied that that is the constructive thing to do, everything considered, that I don't think we need to hesitate to approve the principle on that ground.

I would just like to add that this phase of public forest policy was recommended to Congress by your own joint congressional committee in 1941, and I think it has been recommended by every group or agency which has made a thorough study of the national-forest policy in the past 12 years.

I thank you.

The CHAIRMAN. We thank you for your statement.

STATEMENT OF HON. HARRIS ELLSWORTH, A REPRESENTATIVE
IN CONGRESS FROM THE STATE OF OREGON

Mr. ELLSWORTH. Mr. Chairman, I am particularly interested in this legislation, because the district I represent has approximately half of the Douglas fir timber left in the United States, in the Douglas fir operating area, and it is very important to all of my district that the very wisest and best legislation affecting the operation of the forest areas be passed.

✓ This is a very simple bit of legislation, in that it merely enables the Forest Service to make a cooperative deal with private owners of timber which has been fully explained here, so that a sustained-yield unit may be established, so that our communities, and the communities wherever there are large forest areas will not become ghost towns when the timber is merely slaughtered off and the stump land is left.

So my interest is in seeing the communities protected, and I think and I believe it is generally agreed both in the lumber industry and by the people who understand these things out in that timbered area, that it is necessary that this type of cooperative sustained-yield development be made possible. It is already made possible, as explained by Mr. Greeley, under the Oregon and California Act, which has to do with the Oregon and California revested lands, and this would merely make it possible to operate the forest service lands in a similar way.

That is all the statement I have to make.

Mr. ZIMMERMAN. I just want to say that I had occasion to go over a part of the territory in your State, and I was fascinated at the beautiful timber in that section there.

Mr. ELLSWORTH. There is a vast amount of it there.

Mr. ZIMMERMAN. And I know this; we have made many mistakes in handling our timber, and it is high time we were doing something to protect this very vital resource of the Nation. For example, you spoke of ghost towns. Companies, before they learned that trees died when they got old, and their value for timber ceased to exist, did not market them, maybe, because they thought it would stand there forever, and they lost that timber, and then they came along and not only cut that timber, but cut the young growing timber, which should have been left to supply the Nation for years to come.

Mr. ELLSWORTH. I think that brings out an important point with reference to this very bill. The formation of sustained-yield units and cooperative agreements makes it possible to operate a tract of timber in the soundest way possible from sound forestry practices, whereas on the cut-and-run basis, without some method of cooperation of this kind, we find the private owner liquidating. I know of instances in my own region where very likely the Forest Service timber should come out first, rather than other timber which should be allowed to mature a little longer, unless the private owner had some type of arrangement where he was protected in the ultimate cutting of his own.

✓ ✓ Mr. ZIMMERMAN. A fine thing about this is that it insures the establishment of a permanent mill that backs up a permanent community,

and obviates the ghost towns that you speak of, which we find all over our country.

Mr. ELLSWORTH. That is correct. It has two other points; one, the orderly cutting of these resources, and also a definite check against overcutting. We find some of the areas in the western Douglas fir areas, where they are at the present time cutting four and five times their annual sustained yield capacity. In the area which I represent is the last remaining Douglas fir area to be operated. We are not cutting up to the sustained yield capacity in my district. If some kind of cooperative arrangement of this kind is not passed, or, in fact, if this bill is not passed, which I think is a carefully worked out plan, the net result will be that in periods of high market we will have overcutting and butchering and then in periods of low market we will have bankruptcy and dissolution.

I merely want to make those points.

The CHAIRMAN. Thank you, Mr. Congressman, for your statement.

STATEMENT OF LEE MUCK, ASSISTANT TO THE SECRETARY. DEPARTMENT OF THE INTERIOR

Mr. MUCK. The Department of the Interior in its report to the Senate committee, strongly recommended the enactment of S. 250.

The CHAIRMAN. Would you file the recommendation of the Department of the Interior?

Mr. MUCK. I can file a copy of the report.

(The report is as follows:)

INTERIOR DEPARTMENT,

Washington, D. C., May 20, 1943.

Hon. ELLISON D. SMITH,

Chairman, Committee on Agriculture and Forestry,

United States Senate, Washington, D. C.

MY DEAR SENATOR SMITH: Further reference is made to your request for a report on S. 250, entitled "A bill to promote sustained-yield forest management in order thereby (a) to stabilize communities, forest industries, employment, and taxable forest wealth; (b) to assure a continuous and ample supply of forest products; and (c) to secure the benefits of forests in regulation of water supply and stream flow, prevention of soil erosion, amelioration of climate, and preservation of wildlife."

For the reasons stated in this letter I strongly recommend the enactment of S. 250, provided it is amended to reflect the changes incorporated in the suggested revision enclosed herewith.

Legislation which would establish sound and equitable procedures for the formulation and application of sustained-yield management plans along the lines contemplated by S. 250 is sorely needed. Under such legislation it should be made possible for federally owned or administered forest lands, together with private forest lands in the same general area, to be managed on a basis that would maintain the productive capacity of both the public and the private holdings involved, and that would provide an increased measure of economic stability for the communities dependent on such lands. To the extent permitted by existing laws the Department of the Interior has sought to administer the extensive forest resources under its jurisdiction in ways which would tend to bring about the accomplishment of these objectives, as well as of the other ends stated in the title of S. 250. Notable progress in this direction has been made through the establishment of sustained-yield management plans for the revested and reconveyed forests of western Oregon under the progressive forest maintenance procedures for these lands authorized by the act of August 28, 1937 (50 Stat. 874). Numerous opportunities for the establishment of similar sustained-yield units having as one of their principal objectives the development and protection of stable forest-using communities exist in connection with Indian lands, the un-

reserved public domain, grazing lands, and other areas administered by this Department for purposes consistent with commercial disposition of the annual forest yield.

Full realization of desirable forest management objectives is, however, prevented by certain obstacles which can be removed only through legislative action. One of the most important is the fact that the laws applicable to forest lands under the jurisdiction of this Department limit the disposition of their products in ways such that the fullest beneficial utilization of the resources cannot always be obtained, as, for example, is the case under the laws which permit the sale of timber from the unreserved public domain only if such timber is either dead, down, damaged, or diseased. An obstacle of even greater moment is the fact that the commingling of public and private forest lands in many localities makes it impossible to achieve permanent economic stabilization for the area merely through the adoption of sustained-yield practices on the Federal lands involved, a situation which can be relieved only through the authorization of comprehensive practical procedures for the adoption of similar practices on the private and other non-Federal lands within the area.

Legislation designed to overcome these difficulties should, I believe, be founded on and give expression to the following basic principles:

(1) The interest of forest users in the continued existence of the forests upon which they are dependent for obtaining a livelihood should be recognized through the establishment of sustained-yield units designed to support a permanent local economy based on periodic timber cuts adjusted to the reproductive capacity of the unit;

(2) The development and application of an integrated sustained-yield management plan for each unit where private forest holdings are intermingled with federally owned or administered forest lands should be brought about through the making of cooperative agreements with the private landowners providing for the management of their properties, and the disposition of the forest products thereof, in accordance with the cutting rates and other procedures required by the terms of the plan;

(3) Cooperating private forest operators whose properties by reason of circumstances such as size or location cannot be operated economically on a sustained-yield basis independently of other sources of supply should be given assurance that they will be able to supplement the annual yields of their lands out of the yields from federally held properties within the unit;

(4) Purchasers of forest products in communities dependent upon the forest resources of the unit for raw materials necessary to sustain local industries and to prevent disruption of local fiscal, employment, and living conditions should be given assurance that they will be able to secure a continuous supply of these materials in preference to purchasers not so situated;

(5) In order to provide these assurances of stability the sale of forest products from federally owned or administered lands within the unit should be authorized on terms whereby cooperating private operators and purchasers in dependent communities may obtain these products at prices determined by a fair and open appraisal without competitive bidding;

(6) Prior to the establishment of any sustained-yield unit, the making of any cooperative agreement, or the consummation of any timber sale of consequence, all persons having a substantial interest therein should be accorded an opportunity to present at a public hearing any facts or considerations which may be relevant to the selection of the best method of bringing about the fullest beneficial use of the forest resources covered by such unit, agreement, or sale;

(7) Provision should be made for enforcing the terms of cooperative agreements against the parties thereto, and against purchasers of the land or forest products covered thereby, by means of suits for specific performance or other appropriate judicial remedies; and

(8) The authority to establish sustained-yield units should be vested in the Department of Agriculture and the Department of the Interior as the agencies of the Government principally concerned with forest administration, but other Federal, State, or local agencies having jurisdiction over forest lands should be at liberty to enter into cooperative sustained-yield management agreements with the departments mentioned, and permission should also be granted for the inclusion of Indian lands within sustained-yield plans subject to the consent of the Indians concerned.

All of the foregoing principles are either expressly or impliedly recognized by S. 250 in its present form or obviously intended to be applied in its admin-

istration, but the provisions of the bill do not prescribe in all particulars a complete, exact, and clear legislative framework for the effectuation of these principles. Accordingly, a suggested revision of the text of the bill has been prepared in the form of the draft accompanying this letter, and is submitted with the recommendation that it be substituted for for the present text. This revision, while containing no provision not in accord with the spirit of S. 250 as introduced, embodies a number of very desirable perfecting amendments. The provisions set forth in the draft have been drawn up in collaboration with the Department of Agriculture, and that Department is understood to be in full agreement with this Department as to the need for, and content of, these changes.

Enactment of S. 250 as thus proposed to be revised would make possible the better utilization of forest resources owned or administered by the Federal Government; would tend to discourage destructive lumbering on privately held forest lands; would strengthen the economic structure of communities dependent upon forest resources; would tend to prevent the deterioration of the tax base attendant upon cut-out-and-get-out methods of lumbering; and would in all probability save many communities from the economic paralysis symbolized by the "ghost town" which has descended upon areas where the lumber industry was not operated on a sustained-yield basis.

The Bureau of the Budget has advised me that there is no objection to the presentation of this report to your committee.

Sincerely yours,

HAROLD L. ICKES,
Secretary of the Interior.

S. 250, a bill designed to promote sustained-yield forest management, has been strongly recommended for enactment by the Department of the Interior in its report of May 20, 1943, directed to the chairman of the Committee on Agriculture and Forestry of the United States Senate.

The bill seeks, through the application of the principles of sustained-yield management, to provide perpetual forests which will serve as a foundation for continuing industries and permanent communities. These principles have been given practical expression in the act of August 28, 1937, which measure laid the foundation and framework for a new forest policy for the revested Oregon & California Railroad and reconveyed Coos Bay Wagon Road grant lands located in 18 counties in western Oregon.

The 1937 act provided that the timber on the Oregon grant lands should be sold, cut, and removed in conformity with the principles of sustained yield for the purpose of providing a permanent source of timber supply protecting watersheds, regulating stream flow, and contributing to the economic stability of local communities and industries. Section 2 of this law authorized the Secretary of the Interior to make cooperative agreements with other Federal or State forest administrative agencies or with private forest owners or operators for the coordinated administration with respect to time, rate, method of cutting, and sustained yield of forest units comprising parts of the Oregon grant lands, together with lands in private ownership or under the administration of other public agencies.

Under the provisions of the 1937 act, a measure similar to the one here under consideration, the Oregon grant lands are now fulfilling their logical function. The vast forest resources occurring on these lands are being regulated in a manner which will insure perpetual operations and support permanent communities. The lands are not only paying their way but, in addition, are providing substantial revenues to the counties and repaying the original investment and other costs incurred by the Government in reacquiring title to these

lands. The enterprise is outstanding from both a financial and technical forestry standpoint, and has provided a proving ground for the practice of cooperative sustained-yield forest management.

The enactment of S. 250 will operate to extend the principles of sustained-yield forest management to all forest regions of the United States where Federal forest lands are located. Such action will be a major forward step in the field of cooperative forest management, and wherever applied will make possible the development of our remaining forest resources under sound forest-conservation practices.

S. 250 is very much the same as this bill and will provide the same kind of authority. I think it should be made clear that all S. 250 does is to provide authority for the Government to proceed under the principles of sound management.

Mr. CLEVINGER. I would like to ask if there is any provision made in this legislation for a lumber company to dispose of tops that are ordinarily left on the ground.

Mr. MUCK. Tops left on the ground are unmerchantable. Of course, that is a case of economics. The Federal Government has for years been promoting close utilization of the forest, so far as that is possible. We have been advocating that for 30 years. It has brought some results in that stumps are cut much lower now and the tops are utilized closer.

Mr. CLEVINGER. They represent a dangerous fire hazard.

Mr. MUCK. The tops are not so much a hazard as are the limbs and slash.

Mr. CLEVINGER. That is what I mean.

Mr. MUCK. In most places on Government land, especially in the pine lands, the limbs are piled and burned in order to remove that hazard.

Mr. CLEVINGER. I know they are a bad hazard in my country.

Mr. MUCK. I was raised in Wisconsin and still do a lot of work there. Of course it is more difficult to handle slash there than in the pine areas; and in the fir region it is still more difficult. We have on the Menominee Indian Reservation in Wisconsin quite successfully carried on brush salvage operations, and in that way the largest part of the hazard was removed. It was not always economically sound, but it did remove the hazard.

Mr. CLEVINGER. Having spent the best years of my life in Wisconsin, I have seen a lot of that.

Mr. ZIMMERMAN. Do these timbers, these tops, find a use in pulpwood?

Mr. MUCK. Oh, yes; to some extent.

Mr. ZIMMERMAN. I wonder what effort has been made, following out there the suggestion of Mr. Clevenger—I wonder if timbers from the South, in view of the scarcity of pulpwood and the devastation of our pulp timbers, would not sustain pulp mills and maybe supply some of our great need for pulp.

Mr. MUCK. We have several pulp operations in progress on our lands. When it comes to utilizing the tops, they are not much good for pulp or for lumber because of the knots. However, the western hemlock is used as close as it can be under present economic conditions.

Mr. ZIMMERMAN. Well, I do know that there is always parts on the top that can be used, sawed out and used, free from knots, and I should think you could utilize them that way. And, as Mr. Clevenger has

suggested, it would remove the fire hazard and permit the growth of the timber as well, because these tree tops are very devastating to the growing trees.

Mr. MUCK. I can assure you, sir, that some of the pulp companies, especially those operating on Government lands have done a great deal of work along that line. In fact, one large company with which I have been acquainted in Washington, has for 15 years tried everything, even to chipping this material right in the woods. A rather substantial operation was set up. They found, however, that the splitting of the hemlock in the woods was not very economical and extremely difficult from a labor standpoint. It was later discontinued. But there has been a great deal of thinking along that line, and I am sure the past 20 years has seen very marked progress in the utilization of our western woods.

Mr. ZIMMERMAN. Let me ask you one more question. There was a tendency for many years in the West for private, small companies, to cease operating and the whole timber business was being centered and concentrated in a few firms, isn't that true?

Mr. MUCK. That was true, largely because of the nature of the land holdings. The large companies acquired the greater part of the timber land.

Mr. ZIMMERMAN. This will help to set up smaller units in communities and make them self-sustaining and have a tendency to decentralize the manufacture of lumber and wood products?

Mr. MUCK. I don't think that I would go quite that far, but I would say that it would make it possible, where there was a group of small timber holders, to get together on a cooperative plan.

Mr. ZIMMERMAN. That is what I have in mind.

Mr. MUCK. We had that very definitely in mind in connection with this bill. In fact, a similar problem has been met on Indian reservations, where the ownership is vested largely in the tribe, and where we have allotments the title to which is vested in individuals. We have had, for 30 years, to provide protection for these small holdings. It is done in two ways: One, by stipulating in the master agreement that the terms of any agreements entered into with the individuals shall be on terms just as good as those entered into with the Government; and, two, that any transportation facilities constructed on the area shall be made available for the transportation of timber cut from these small areas; in the event the small owner wishes to dispose of his timber himself.

Representative GRANGER. In the operation of your forest products, has there been any complaint on the part of anybody as to the monopolistic aspects of your operation there?

Mr. MUCK. I am glad you raised that question, because the Oregon and California project is a comparatively new one; it has been in operation only since 1938. I have been connected with it since that time, and I do not recall a single complaint coming in as to that question or any other phase of the operation. The operations on the Oregon and California lands are guided by a policy committee consisting of representatives of the counties, the State forester, industry, and the Department of the Interior. This cooperative approach has, I think, helped to guide policy very successfully.

The CHAIRMAN. If there are no further questions, we thank you very much for your statement.

STATEMENT OF P. H. BUTTRICK, REPRESENTING THE AMERICAN FORESTRY ASSOCIATION

Mr. BUTTRICK. Mr. Chairman, the directors of the American Forestry Association have studied this bill very carefully, and they are in favor of its passage. Their attitude was made public in an editorial in a recent issue of the magazine *American Forests*. This magazine is a publication of the association. I submit a copy for the record.

(The editorial in question follows:)

[Editorial from October 1943 issue of *American Forests*—the magazine of the American Forestry Association. This editorial is placed in the record of the hearings on S. 250 (H. R. 1621), 78th Cong., 1st sess., as evidence of endorsement by the association of the bill]

COOPERATIVE SUSTAINED YIELD

Few terms in forestry have been more loosely used and in many ways so little understood as "sustained yield." From the public point of view, its implied scientific complexities and its obvious suggestion of dependence upon certain specific laws of nature and economics have held little imaginative appeal. All too frequently it is looked upon as synonymous with the descriptive phrase "keeping forests continuously productive." And this is unfortunate. In implication and meaning the two are far apart. The sustained-yield concept lies at the very base of successful long-range management of both public and private forests.

Consequently, the imagination or even the interest of John Q. Public may well fail to be captured by the title of Senator Charles L. McNary's bill (S. 250) which passed the Senate on July 3—a bill to promote sustained yield forest management, etc. And this, too, is unfortunate. For just as forest historians have recorded the name of Senator McNary as joint author of the Clarke-McNary law, which implemented Federal and State cooperation in forest-fire protection, so will they recognize his sponsorship of S. 250, should it be enacted into law, as the beginning of another important and possibly more far-reaching field of cooperative endeavor in stabilizing forest production.

Perhaps this will be brought into sharper focus if the meaning of sustained yield can be restated in terms closer to everyday life—the equalizing of production and consumption. Foresters use the term "sustained yield" to describe a form of forest management under which the cutting of a forest is adjusted to its growth, so that approximately the same volume of wood may mature and be harvested yearly or periodically in perpetuity. In other words, growth and cut are in balance in a sustained-yield forest.

From a long-range view, growth and harvest in American forests must be balanced just as production and consumption must be equalized in any other industrial enterprise. Failure to do so works hardship on both the producer and consumer. Nevertheless, the attainment of sustained yield forestry is difficult both technically and economically, particularly on small holdings. Most of the forestry practiced by private owners is therefore on a discontinuous-yield basis. That is, yields come at irregular periods—usually spaced many years apart and in unequal amounts. To this type of forestry the phrase "keeping forests continuously productive" properly applies.

This is not said in criticism, as in many instances it is the only kind of forestry private owners or even public agencies can possibly practice. The unit of sustained yield must therefore frequently include many individual holdings. To rationalize forestry in the United States, sustained yield units must be organized which are sufficiently large to yield an even and perpetual supply of forest products to feed into the industrial machine. They must sustain local economies and be well distributed throughout all the great forest regions.

The objective of S. 250, as its title indicates, is to facilitate the building up of such units by providing a basis for cooperation between forest owners. As drawn, the bill can do so when there is a considerable area of federally owned land to serve as a nucleus. Around this nucleus, private holdings may be grouped under conditions permitting public timber to be fed into the local industrial machine in such a way that the continuity of operations will remain unbroken.

The basis of the scheme is that the private owners enter into long-term contracts with the Government, agreeing to harvest under Government regulation which will insure reproduction of the forest. On its part, the Government, knowing that individual operators do not have sufficient timber to keep their mills

operating perpetually, agrees to sell them enough publicly owned timber to do so. The whole plan is worked out so that a regular and perpetual supply of timber can be furnished from the sustained yield unit. No compulsion is put on forest owners to join the units, and the procedure of setting them up is democratic. Yet the interests of both the public and private owners are protected.

Carrying the endorsement of both the Secretary of Agriculture and the Secretary of the Interior, the bill provides means for both agencies to cooperate not only with private, but with State and local land-holding units; and where national forests and forest land under the jurisdiction of the Department of the Interior are intermingled, with each other. Should it become law, it is probable that the first units will be located in Oregon in connection with the Oregon and California crazy-quilt of patchwork ownership, involving Federal, State, county, and private lands.

Rationalizing the growing and harvesting of forest products on a high consumption level is an important task of American forestry and the American forest industries. Passage of the McNary bill, S. 250, will be a big step in this direction. Out of it may well come experience enabling the drafting of legislation, State, or Federal as the case may be, which will facilitate development of sustained yield units under conditions where public ownership is not dominant. It deserves full and active support.

STATEMENT OF CONGRESSMAN JOHN M. COFFEE, SIXTH CONGRESSIONAL DISTRICT, STATE OF WASHINGTON

Mr. Chairman and members of the committee, I appreciate very much this opportunity to appear before my colleagues in behalf of S. 250, now receiving your consideration. Many forestry experts have, or will appear before you to discuss the provisions of this bill. It is not my intention, therefore, to do more than say this measure has the backing of the lumbering and logging interests of my State as well as the endorsement of representatives of the men and women employed in the lumbering and logging industry. This measure will provide for the advancement of sustained-yield forest-management program with the resulting stabilization of the communities, forest industries, and employment dependent upon a proper conservation of our forest resources. Furthermore, I am convinced this measure will add greatly to the benefits we now receive from our forests in relation to water supply, prevention of soil erosion, and preservation of wildlife. In connection with the water supply, I am including herein, a telegram addressed to me by the commissioner of the department of public utilities of my home city of Tacoma, Wash., Robert O'Neil, which is self-explanatory:

TACOMA, WASH., December 2, 1943.

HON. JOHN M. COFFEE,
Member of Congress,
House Office Building, Washington, D. C.:

Since discussing Senate bill 250 with you in Washington, our Mr. Kunigk has discussed its provisions with our legal counsel and local forestry department representatives. The result of their discussions indicates that the bill in its present form affords the necessary protections to Tacoma. Therefore, I urge you to support this bill in its present form.

R. D. O'NEIL,
Commissioner, Department of Public Utilities.

The watershed areas of the city of Tacoma and the city of Seattle, which is in the adjoining congressional district, are located in part within the area embraced by the Snoqualmie National Forest. The handling and regulation of logging on the privately-owned tracts within the Snoqualmie National Forest boundaries, as well as the con-

trols exercised over the small farm plots, and so forth, within the national-forest boundary present a difficult problem, the solution of which will be materially aided by the passage of this legislation. Many of the worries which now beset municipalities, whose watersheds are dependent upon more detailed management of the national forest areas, which include all or part of their watersheds, will be relieved by the passage of the instant bill.

I hope the committee will see its way clear to report S. 250 with a "do pass" recommendation. Mr. Chairman, I wish to thank you and the members of the committee for your courteous attention.

RECOMMENDATION UPON S. 45, INCREASED AUTHORIZATION FOR PROTECTION OF FORESTS AND WATERSHEDS, ADOPTED BY THE BOARD OF DIRECTORS OF THE LOS ANGELES CHAMBER OF COMMERCE, NOVEMBER 5, 1943

NATURE OF PROPOSAL

The bill provides for an increase in the amount of authorization for cooperation in forest-fire protection with the States from \$2,500,000 to \$9,000,000. It has passed the Senate and is now before the Committee on Agriculture of the House.

COMMENT

The measure would amend the Clarke-McNary law of 1924, the enactment of which was a recognition of the interest of the public in the protection of the forest lands of the Nation. Its object was to provide an incentive to the States and timberland owners for the protection from fire of the timber resources of the several States. The results accomplished by the Clarke-McNary law have been outstanding. The area of forest lands given protection has grown from year to year until it approaches 225,000,000 acres. Expenditures by the States now greatly exceed those of the Federal Government. Since the act, however, requires at least a 50-50 cooperation on the part of the States, many of those less strongly financed, particularly in the South, where protection is most urgently needed, have not found it possible to furnish this protection in adequate measure. The cost of adequate protection from fire of the Nation's timber and watershed areas, as a whole, has been placed at approximately \$19,000,000. The proposed legislation would authorize appropriations on the part of Congress for about 50 percent of this cost.

The interest of the public is apparent. Aside from its concern that there be a cheap and perpetual timber supply, recreational facilities, and protection to wildlife, the public has a stake in watershed protection through forest conservation which is possibly of even greater value than the production of wood and wood products.

The CHAIRMAN. I think that completes the list of witnesses, and we thank you for your appearance, gentlemen.

(Whereupon at 11:30 a. m. the hearing was concluded.)

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taken then without serious opposition. Such was the destructive power of that one lightning stroke. Shades of Port Arthur.

From what has gone before in this address it is easy to see that we had ample warning of Japan's intentions, and her probable course of action, at least 4 months in advance of the fatal event. But to complete the record, let us examine a few more documents and memoranda. The stalling negotiations that took place, leading up to the arrival of Ambassador Extraordinary Kuruu, are relatively unimportant. The stage was already set on August 1 of 1941.

It appears from the record that President Roosevelt was deeply preoccupied with Herr Hitler, while Secretary Hull was similarly engrossed, though to a lesser extent, with the Japanese.

The President had caused the fleet to be split. It had been concentrated in the Pacific, but by July 1941 a large part of it had been moved through the Canal into the Atlantic to protect lend-lease shipments. That insured victory to the Japs in their initial effort. In fact, it was almost an invitation to strike. One can imagine their satisfaction on witnessing the reduction of our Pacific Fleet at the very moment we were freezing her assets and taking the final step of shutting off her oil supply. Way back in 1906, Gen. Homer Lea had declared that "When Japan declares war either the American Navy will be divided between the Pacific and Atlantic, or the whole of it will be in the Atlantic."

The following excerpt is editorial comment on the memorandum relating to the course of a visit at the White House of Ambassador Nomura on the afternoon of July 24, 1941:

The President then said that it was believed in the United States that such policies as Japan was pursuing were due to German pressure upon Japan; that the Japanese Government did not understand as clearly as we that Hitler was bent upon world domination; that if Germany succeeded in defeating Russia and dominating Europe and Africa, Germany thereafter would turn her attention to the Far East and to the Western Hemisphere; and that it was entirely possible that after some years the Navies of Japan and of the United States would be cooperating against Hitler as a common enemy.

In the course of this conversation the President reminded the Japanese Ambassador that the United States had been permitting oil to be exported from the United States to Japan; that this had been done because we realized that if these oil supplies had been shut off or restricted the Japanese Government and people would have used this as an incentive or pretext for moving down upon the Netherlands Indies in order to assure themselves of a greater oil supply; that the United States had been pursuing this policy primarily for the purpose of doing its utmost to preserve peace in the Pacific region; that our citizens were unable to understand why, at a time when they were asked to curtail their use of gasoline, the United States should be permitting oil supplies to go to Japan when Japan had given every indication of pursuing a policy of force and conquest in conjunction with the policy of world conquest and domination being carried on by Hitler. The President said that if Japan attempted to seize oil supplies by force in the Netherlands Indies, the latter would undoubtedly resist, the British would immediately come to their assistance, and war would

then result. In view of our own policy of assisting Great Britain, "an exceedingly serious situation would immediately result." The President stated that with these facts in mind oil had up to this time been permitted to be shipped from the United States to Japan, notwithstanding the bitter criticism leveled against the administration.

President Roosevelt discussed this question in an informal talk at the White House on July 24. He explained the essential necessity, from the standpoint of our own defense and of that of Great Britain, of preventing war from breaking out in the South Pacific. He said that if oil supplies from the United States had been cut off, Japan probably would have attacked the Netherlands Indies to obtain oil and war would have resulted; that the policy of the United States in allowing oil to go to Japan had succeeded in keeping war out of the South Pacific, "for our own good, for the good of the defense of Great Britain, and the freedom of the seas."

Two days later Japan's assets in the United States were frozen by Executive order, and a week later oil was shut off.

Then followed a period of sparring and stalling until arrangements had been made for the visit of Ambassador Kuruu.

At this point permit me to insert the editorial comment contained on pages 136 and 137 of Peace and War, subtitled "Ambassador Grew's Report That War Might Be Inevitable":

In a telegram of November 3, 1941, Ambassador Grew reported to the Department of State on the current situation in Japan. He warned against acceptance of any theory that the weakening and final exhaustion of Japanese financial and economic resources would result shortly in Japan's collapse as a militarist nation. He pointed out that despite severe cuts in industrial output, the loss of most of Japan's commerce, and the depletion of national resources, such a collapse had not occurred; but instead there was being drastically prosecuted the integration of Japanese national economy. Events so far, he said, had given no support for the view that war in the Far East could best be averted by imposition of commercial embargoes. He said that considering the temper of the people of Japan it was dangerously uncertain to base United States policy on a view that the imposition of progressive and rigorous economic measures would probably avert war; that it was the view of the Embassy that war would not be averted by such a course.

The Ambassador said it was his purpose to insure against the United States becoming involved in war with Japan through any misconception of Japanese capacity to plunge into a "suicidal struggle" with us. Although reason, he said, would dictate against such a happening, our own standards of logic could not be used to measure Japanese rationality. While we need not be overly concerned by the "bellicose" utterances of the Japanese press, it would be short-sighted to underestimate the obvious preparations of Japan; it would be short-sighted also if our policy were based on a belief that these preparations amounted merely to saber rattling. Finally, he warned of the possibility of Japan's adopting measures with dramatic and dangerous suddenness which might make inevitable a war with the United States.

Four days later, on November 7, Secretary Hull stated at a Cabinet meeting that relations between Japan and the United States were extremely critical and that there was "imminent possibility" that Japan might at any time start a new military movement of conquest by force. It thereupon became the consensus of the Cabinet that the critical situation might well be emphasized in speeches in order that the country would, if possible,

be better prepared for such a development. Accordingly, Secretary of the Navy Knox delivered an address on November 11, 1941, in which he stated that we were not only confronted with the necessity of extreme measures of self-defense in the Atlantic, but we were "likewise faced with grim possibilities on the other side of the world—on the far side of the Pacific"; that the Pacific no less than the Atlantic called for instant readiness for defense. On the same day Under Secretary of State Welles, carrying out the Cabinet suggestion in an address, stated that beyond the Atlantic a sinister and pitiless conqueror had reduced more than half of Europe to abject serfdom and that in the Far East the same forces of conquest were menacing the safety of all nations bordering on the Pacific. The waves of world conquest were "breaking high both in the East and in the West," he said, and were threatening, more and more with each passing day, "to engulf our own shores." He warned that the United States was in far greater peril than in 1917; that "at any moment war may be forced upon us."

On November 17 Ambassador Grew cabled from Tokyo that in calling attention to the necessity for vigilance against sudden Japanese naval or military attack in regions not then involved in the Chinese-Japanese conflict, he considered it probable that the Japanese would make use of every possible tactical advantage, including surprise and initiative. The Ambassador said that in Japan there was an extremely effective control over military information and that as a consequence it was unlikely that the Embassy would be able to give substantial warning.

I then submit the concluding comment on Ambassador Kuruu's conference with Secretary Hull on November 18, 1941, as follows:

Mr. Kuruu said that Japan would not be a "cat's-paw" for Germany; that Japan had entered into the Tripartite Pact in order to use the pact for its own purposes and because it felt isolated; that the situation in Japan was very pressing and that it was important to arrest a further deterioration of relations between the two countries; that our freezing regulations had caused impatience in Japan and a feeling that Japan had to fight while still in a position to fight.

On November 26, 1941, Kuruu ceased stalling with Secretary Hull, and asked to see the President, which he did on November 27.

Now let me quote a paragraph or two from page 144, as follows:

JAPAN MAY MOVE SUDDENLY

On November 25 and on November 28, at meetings of high officials of this Government, Secretary Hull emphasized the critical nature of the relations of this country with Japan. He stated that there was practically no possibility of an agreement being achieved with Japan; that in his opinion the Japanese were likely to break out at any time with new acts of conquest by force; and that the matter of safeguarding our national security was in the hands of the Army and the Navy. The Secretary expressed his judgment that any plans for our military defense should include an assumption that the Japanese might make the element of surprise a central point in their strategy and also might attack at various points simultaneously with a view to demoralizing efforts of defense and of coordination for purposes thereof.

On November 29, 1941, Secretary Hull conferred with the British Ambassador. The Secretary said that "the diplomatic part of our relations with Japan was virtually over and that the matter will now go to the officials of the Army and Navy." He said further that it would be "a serious mistake for our

country and other countries interested in the Pacific situation to make plans of resistance without including the possibility that Japan may move suddenly and with every possible element of surprise and spread out over considerable areas and capture certain positions and posts before the peaceful countries interested in the Pacific would have time to confer and formulate plans to meet these new conditions; that this would be on the theory that the Japanese recognize that their course of unlimited conquest now renewed all along the line probably is a desperate gamble and requires the utmost boldness and risk."

REPORTED JAPANESE TROOP MOVEMENTS

Secretary Hull conferred with the Japanese Ambassador and Mr. Kurusu on December 1. The Secretary said that in the current discussions we had to take into account the bellicose utterances emanating from Tokyo. He emphasized that we did not propose to go into partnership with Japan's military leaders; that he had not heard one whisper of peace from them, "only bluster and blood-curdling threats." The Japanese representatives said that statements of Japanese officials were taken more seriously in the United States than was warranted; that these statements were misquoted in the press.

The Secretary said that this Government had no idea of trying to bluff Japan and that he saw no occasion for Japan's trying to bluff us; he emphasized that "there is a limit beyond which we cannot go."

And so it went, until abandoning all hope of getting anywhere with Kurusu, the President went over the heads of the diplomats. On December 6, 1941, he telegraphed a personal message to the Son of Heaven, reciting conditions as they seemed to be, and stating that both he and the Emperor had "a sacred duty to restore traditional amity and prevent further death and destruction in the world."

R. S. V. P.

At 1:20 p. m. Washington, 7:50 a. m. Honolulu time, December 7, 1941, the Emperor replied with bombs and bullets on Pearl Harbor.

Mr. Speaker, I cannot for the life of me see anything very surprising in that attack, except the fact that we were taken by surprise. Japan's record since long before Commodore Perry pressed the Shogun is rich with such episodes. Every attack she has made, and she has made many, has been the type of attack that is to be expected of an assassin. She never learned the rules expounded by the Marquis of Queensbury. Her rules are the rules of her favorite sport—ju jitsu. What kind of a game did our Government think we were playing with Japan, or Japan with us?

Effective ultimatums had been given by both sides. Negotiations had broken off. What were we waiting for? Why were our naval and military commanders not ordered into position with orders to strike and strike hard at the zero hour? Why was a carrier sent to Midway a week before with orders to sink anything it saw, and yet why did Pearl Harbor sleep? Did our Government think that Pearl Harbor was another *Panay* incident, or was it simply that confusion in Washington was more confounded than at Pearl Harbor?

And finally, Mr. Speaker, why were Admiral Kimmel and General Short per-

mitted to waive the statute of limitations on their trial, when everyone knows that they cannot waive it? Does the Government fear to try them? Even now it is highly doubtful that the eleventh-hour concurrence of both Houses in a resolution extending the statute of limitations in that case is legal, and particularly since it did not receive the signature of the President on December 7. I am sure that they both want to be tried.

Mr. Speaker, this has been prepared as an historical outline, but it ends with unanswered questions. If I am not here to fill in the answers when they appear, I hope another will write them in, and I trust that the succeeding chapters will be happier, than this long, and unhappy record I have compiled of a Government which failed to lead its people in seeing the grave danger that faced them in the East.

SPECIAL ORDER

The SPEAKER pro tempore (Mr. Hays). Under a previous order of the House, the gentleman from New York [Mr. MARCANTONIO] is recognized for 30 minutes.

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent that that special order be transferred to tomorrow.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. GWYNNE. Mr. Speaker, I ask unanimous consent that on tomorrow, following any special orders heretofore entered, I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Iowa? There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. MAGNUSON, for an indefinite period, beginning January 4, 1944, on account of official business for the Naval Affairs Committee.

To Mr. WRIGHT, for 1 week, on account of illness.

To Mr. TAYLOR (at the request of Mr. KEARNEY), for an indefinite period, on account of illness.

To Mr. DILWEG (at the request of Mr. GIBSON), for the remainder of the week, on account of illness.

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. J. Res. 94: Joint resolution establishing the Filipino Rehabilitation Commission, defining its powers and duties, and for other purposes; to the Committee on Insular Affairs.

ADJOURNMENT

Mr. MURDOCK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 58 minutes p. m.) the House adjourned until tomorrow, Friday, December 17, 1943, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON THE PUBLIC LANDS

(Friday, December 17, 1943)

There will be a meeting of the Committee on the Public Lands on Friday, December 17, 1943, at 10 a. m., to consider H. R. 2241, a bill to abolish the Jackson Hole National Monument, Wyo.

EXECUTIVE COMMUNICATIONS, ETC.

970. Under clause 2 of rule XXIV, a letter from the Corporation Counsel, District of Columbia, transmitting request that the draft of a proposed bill, submitted October 29, 1943, be amended by inserting at the end of the first paragraph on page 7, the following: "Sec. 4. Strike out the clause 'when filled to the bottom of the capeast, stopple, or other designating mark' in section 14 of said act," and change the present section 4 to section 5, and section 5 to section 6, was taken from the Speaker's table and referred to the Committee on the District of Columbia.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FLANNAGAN: Committee on Agriculture. S. 250. An act to promote sustained-yield forest management in order thereby (a) to stabilize communities, forest industries, employment, and taxable forest wealth; (b) to assure a continuous and ample supply of forest products; and (c) to secure the benefits of forests in regulation of water supply and stream flow, prevention of soil erosion, amelioration of climate, and preservation of wildlife; with amendment (Rept. No. 960). Referred to the Committee of the Whole House on the state of the Union.

Mr. WEAVER: Committee on the Judiciary. H. R. 3847. A bill to exempt certain officers and employees of the Office of Price Administration from certain provisions of the Criminal Code and Revised Statutes; without amendment (Rept. No. 961). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. PATMAN:
H. R. 3854. A bill to amend the Federal Reserve Act for the purpose of authorizing participation by the United States in the establishment of a United Nations Bank for Reconstruction and Development; to the Committee on Banking and Currency.

By Mr. SAUTHOFF:
H. R. 3855. A bill relative to granting and giving instructions in civil and criminal cases in the district courts of continental United States; to the Committee on the Judiciary.

By Mr. HARNES of Indiana:
H. R. 3856. A bill to provide for the disposition of surplus inventories of strategic materials owned by the United States and Government-owned plants and factories; to the Committee on Military Affairs.

By Mr. FAX:
H. R. 3857. A bill requesting that the President of the United States of America proclaim Armed Services Honor Day and urg-

COOPERATIVE SUSTAINED-YIELD UNIT AGREEMENTS WITH FOREST OWNERS AND OPERATORS

DECEMBER 16, 1943.—Committed to the Committee of the Whole House on the state of the Union and ordered to be printed

Mr. FLANNAGAN, from the Committee on Agriculture, submitted the following

REPORT

[To accompany S. 250]

The Committee on Agriculture, to whom was referred the bill (S. 250) to promote sustained-yield forest management in order thereby (a) to stabilize communities, forest industries, employment, and taxable forest wealth; (b) to assure a continuous and ample supply of forest products; and (c) to secure the benefits of forests in regulation of water supply and stream flow, prevention of soil erosion, amelioration of climate, and preservation of wildlife, having considered the same, report thereon with a recommendation that it do pass, with the following amendment:

Page 9, strike out all of lines 17, 18, and 19, and insert in lieu thereof the following wording:

SEC. 10. Funds available for the protection or management of federally owned or administered forest land within the unit concerned may also be expended in carrying out the purposes of this Act, and there are hereby authorized to be appropriated such additional sums for the purposes of this Act as the Congress may from time to time deem necessary, but such additional sums shall not exceed \$150,000 for the Department of Agriculture and \$50,000 for the Department of the Interior, for any fiscal year.

STATEMENT

The purpose of this bill is to give the Secretary of Agriculture and the Secretary of the Interior, each with respect to Federal lands under his jurisdiction, and intermingled and nearby private lands, discretionary authority—

1. To establish cooperative sustained-yield units for the purpose of coordinated sustained-yield management of the public and interrelated private lands;

2. To enter into cooperative agreements with willing land owners within such units, under which, in consideration of the assured privilege of purchasing Government timber and of other benefits to them from coordinated management, they will manage their land in strict accordance with requirements as to the rate, manner, and time of cutting prescribed by the Secretary; and

3. To establish sustained-yield units of Federal land where necessary in order to maintain dependent communities; and within such units to sell timber without competition at not less than appraised value to responsible purchasers established in such communities.

There are numerous instances where sustained-yield management cannot be applied to either the public land or the private land alone, and where stable support of forest communities cannot be assured under the application of the usual procedure of competitive bidding. The authority conveyed by this bill is necessary in order to enable cooperative sustained-yield management of the combined public and private timber in these situations. The authority is to be exercised only where it will clearly promote the permanent welfare of dependent communities and in general be in the public interest.

As a desirable safeguard the bill provides for a public hearing before any sustained-yield unit is established or any cooperative is consummated. It also provides that a hearing will be held upon request of any person having a reasonable interest before a sale is made without competition.

The activities involved in the application of the act are very closely integrated with the administration of the public land involved. At the outset it is unlikely that any additional funds will be necessary.

It is advisable, however, in order to clarify existing authority to use funds available for the protection and management of federally administered forest land within the units concerned, and additionally to authorize, subject to quantitative annual limitations, the appropriation of additional sums when necessary for the purpose of this act, to amend section 10 to read as follows:

SEC. 10. Funds available for the protection or management of federally owned or administered forest land within the unit concerned may also be expended in carrying out the purposes of this Act, and there are hereby authorized to be appropriated such additional sums for the purposes of this Act as the Congress may from time to time deem necessary, but such additional sums shall not exceed \$150,000 for the Department of Agriculture and \$50,000 for the Department of the Interior, for any fiscal year.

This legislation is strongly recommended by the Secretaries of Agriculture and of the Interior—the two Departments concerned—and approved by the Bureau of the Budget. The principles of this legislation have been carefully considered and strongly endorsed by numerous other public and private agencies.

It is the judgment of the committee that the enactment of this bill will be an important step forward in forest conservation.

A further explanation of the bill is contained in reports from the Departments of Agriculture and of the Interior, which are attached hereto and entitled "Exhibit A" and "Exhibit B," as follows:

EXHIBIT A

MAY 21, 1943.

HON. ELLISON D. SMITH,
Chairman, Committee on Agriculture and Forestry,
United States Senate.

DEAR SENATOR SMITH: This is in reply to your request of January 13 for a report on S. 250, a bill "to promote sustained-yield forest management in order thereby (a) to stabilize communities, forest industries, employment, and taxable forest wealth; (b) to assure a continuous and ample supply of forest products; and (c) to secure the benefits of forests in regulation of water supply and stream flow, prevention of soil erosion, amelioration of climate, and preservation of wildlife."

The underlying purpose of this bill, as we understand it, is to give the Secretary of Agriculture and the Secretary of the Interior, each with respect to Federal lands under his jurisdiction and nearby private lands, discretionary authority (1) to establish cooperative sustained-yield units for the purpose of coordinated sustained-yield management of public and private lands; (2) to enter into cooperative agreements with willing landowners within such units under which, in consideration of the assured privilege of purchasing Government timber and of other benefits to them from coordinated management, they will manage their land in accordance with requirements prescribed by the Secretary; (3) to establish sustained-yield units of Federal land where necessary in order to maintain dependent communities, and to sell timber without competition at not less than appraised value to responsible purchasers established in such communities. These authorities are to be exercised only where to do so will clearly promote the permanent welfare of dependent communities, and in general be in the public interest.

This Department has given intensive and favorable consideration over a period of years to sustained-yield management of national-forest lands in combination with private forest lands, and to the sale of national-forest timber without competition where necessary to sustain dependent communities; all with adequate safeguards for the public interest. We endorse in its general principles the plan embodied in this bill.

It is the belief, however, both of this Department and of Interior that certain revisions as to detail are needed to clarify the intent and authority, and fully to protect the public interest. Representatives of Interior and Agriculture have therefore collaborated in working out mutually acceptable revisions. These are embodied in the attached draft, which is submitted for your convenience.

The following explanation deals with the plan as outlined in the revised draft, and especially in its relation to national-forest administration.

The plan is intended to benefit two types of problem situations. The first involves private forest landowners who have insufficient mature and growing timber to enable them to cut on a sustained-yield basis. They therefore operate on a cut-out-and-get-out basis, often leaving devastated lands and wrecked communities behind them. Intermingled, and nearby, national-forest timber may be sufficient so that if both were managed as one unit, sustained-yield and permanent industries and communities would be feasible. Under existing law, however, national-forest timber must be advertised for competitive bids, and the owners of the private land have no certainty that they will be successful bidders.

The first two sections would authorize the Secretary to establish cooperative sustained-yield units that would include national-forest land and lands of prospective cooperators; and to enter into binding cooperative agreements under which the private owners will be required to cut their timber at a rate and in ways prescribed by the Secretary that will keep the forest productive. In turn, the cooperating private owners will be given assurance that they can buy national-forest timber in accordance with the joint sustained-yield plan for the unit as a whole and at a fair price. This will put combined public and private holdings in position to attain the basic purpose of the plan, which is to sustain permanent industries and opportunities for employment and to stabilize the dependent communities.

Provision is made also for the Secretary to enter into cooperative arrangements with the other Secretary or with any other public agency administering forest lands for the inclusion of such lands in the coordinated plan of management, when considered desirable by the agencies concerned.

The second type of situation involves only national-forest timber. Here, established dependent communities needing protection against competition would be wrecked if the national-forest timber were allowed to be manufactured elsewhere. Section 3 of the bill, therefore, authorizes the Secretary to establish sustained-yield units and, subject to such conditions as he believes necessary, to sell

national-forest timber without competitive bids to responsible purchasers established within the communities concerned.

The several provisions to safeguard the public interest are particularly important. In the first place, the authority of the Secretary to establish cooperative sustained-yield units, or to enter into cooperative agreements is discretionary. The sustained-yield management plan for such a unit as a whole must be formulated or approved by the Secretary. In every cooperative agreement entered into, the Secretary must limit the time, rate, and method of cutting from the land of the cooperating private owner in order adequately to correlate it with the sustained-yield plan for the unit; must prescribe the terms and conditions upon which the cooperating landowner may sell timber and forest products from his land; and must include in the agreement such other provisions as are necessary to carry out the purposes of the act, and such provisions as he deems necessary to protect the reasonable interests of other owners.

Each cooperative agreement must be recorded and the terms thereof made binding also upon those inheriting or otherwise acquiring the interests of the original cooperating private landowner. Equitable remedies are provided for the enforcement of such agreements.

As a further precaution it is provided that before any sustained-yield unit is established under either section 1 or 3, or any cooperative agreement is entered into, a public hearing must be held after advance notice by publication, for the presentation of advantages and disadvantages of the proposed action to the community or communities affected. Before any sale agreement is entered into without competition and involving more than \$500 in stumpage value of national-forest timber, advance notice of the proposed sale must be given by publication, and a hearing must be held if requested by the State or county concerned or by any other person deemed by the Secretary to have a reasonable interest in the proposed sale or in its terms. The record of the hearings and the Secretary's determination are to be available for public inspection.

We desire to emphasize that, if this bill is enacted, this Department will proceed with the utmost caution in establishing sustained-yield units thereunder. It is possible that a good many applications will be received from private owners anxious to obtain national-forest timber without competition. It is anticipated, however, that the development of any large program of such units will be a rather slow process.

As indicated above, the plan embodied in the revised draft has been under long and favorable consideration. It has been endorsed by various agencies and organizations. In our judgment the advantages to be gained under the plan are desirable and substantial. The enactment of the bill with the revisions embodied in the enclosed draft is therefore recommended by this Department.

The Bureau of the Budget advises that it has no objection to the submission of this report.

Sincerely,

CLAUDE R. WICKARD, *Secretary.*

EXHIBIT B

THE SECRETARY OF THE INTERIOR,
Washington, May 20, 1943.

HON. ELISON D. SMITH,

*Chairman, Committee on Agriculture and Forestry,
United States Senate.*

MY DEAR SENATOR SMITH: Further reference is made to your request for a report on S. 250, entitled "A bill to promote sustained-yield forest management in order thereby (a) to stabilize communities, forest industries, employment, and taxable forest wealth; (b) to assure a continuous and ample supply of forest products; and (c) to secure the benefits of forests in regulation of water supply and stream flow, prevention of soil erosion, amelioration of climate, and preservation of wildlife."

For the reasons stated in this letter I strongly recommend the enactment of S. 250, provided it is amended to reflect the changes incorporated in the suggested revision enclosed herewith.

Legislation which would establish sound and equitable procedures for the formulation and application of sustained-yield management plans along the lines contemplated by S. 250 is sorely needed. Under such legislation it should be made possible for federally owned or administered forest lands, together with private forest lands in the same general area, to be managed on a basis that

would maintain the productive capacity of both the public and the private holdings involved, and that would provide an increased measure of economic stability for the communities dependent on such lands. To the extent permitted by existing laws the Department of the Interior has sought to administer the extensive forest resources under its jurisdiction in ways which would tend to bring about the accomplishment of these objectives, as well as of the other ends stated in the title of S. 250. Notable progress in this direction has been made through the establishment of sustained-yield management plans for the revested and reconveyed forests of western Oregon under the progressive forest-maintenance procedures for these lands authorized by the act of August 28, 1937 (50 Stat. 874). Numerous opportunities for the establishment of similar sustained-yield units having as one of their principal objectives the development and protection of stable forest-using communities exist in connection with Indian lands, the unreserved public domain, grazing lands, and other areas administered by this Department for purposes consistent with commercial disposition of the annual forest yield.

Full realization of desirable forest management objectives is, however, prevented by certain obstacles which can be removed only through legislative action. One of the most important is the fact that the laws applicable to forest lands under the jurisdiction of this Department limit the disposition of their products in ways such that the fullest beneficial utilization of the resource cannot always be obtained, as, for example, in the case under the laws which permit the sale of timber from the unreserved public domain only if such timber is either dead, down, damaged, or diseased. An obstacle of even greater moment is the fact that the commingling of public and private forest lands in many localities makes it impossible to achieve permanent economic stabilization for the area merely through the adoption of sustained-yield practices on the Federal lands involved, a situation which can be relieved only through the authorization of comprehensive practical procedures for the adoption of similar practices on the private and other non-Federal lands within the area.

Legislation designed to overcome these difficulties should, I believe, be founded on and give expression to the following basic principles: (1) the interest of forest users in the continued existence of the forests upon which they are dependent for obtaining a livelihood should be recognized through the establishment of sustained-yield units designed to support a permanent local economy based on periodic timber cuts adjusted to the reproductive capacity of the unit; (2) the development and application of an integrated sustained-yield management plan for each unit where private forest holdings are intermingled with federally owned or administered forest lands should be brought about through the making of co-operative agreements with the private landowners providing for the management of their properties, and the disposition of the forest products thereof, in accordance with the cutting rates and other procedures required by the terms of the plan; (3) cooperating private forest operators whose properties by reason of circumstances such as size or location cannot be operated economically on a sustained-yield basis independently of other sources of supply should be given assurance that they will be able to supplement the annual yields of their lands out of the yields from federally held properties within the unit; (4) purchasers of forest products in communities dependent upon the forest resources of the unit for raw materials necessary to sustain local industries and to prevent disruption of local fiscal, employment, and living conditions should be given assurance that they will be able to secure a continuous supply of these materials in preference to purchasers not so situated; (5) in order to provide these assurances of stability the sale of forest products from federally owned or administered lands within the unit should be authorized on terms whereby cooperating private operators and purchasers in dependent communities may obtain these products at prices determined by a fair and open appraisal without competitive bidding; (6) prior to the establishment of any sustained-yield unit, the making of any cooperative agreement, or the consummation of any timber sale of consequence, all persons having a substantial interest therein should be accorded an opportunity to present at a public hearing any facts or considerations which may be relevant to the selection of the best method of bringing about the fullest beneficial use of the forest resources covered by such unit, agreement, or sale; (7) provision should be made for enforcing the terms of cooperative agreements against the parties thereto, and against purchasers of the land or forest products covered thereby, by means of suits for specific performance or other appropriate judicial remedies; and (8) the authority to establish sustained-yield units should be vested in the Department of Agriculture and the Department of the Interior as the agencies of the

Government principally concerned with forest administration, but other Federal, State, or local agencies having jurisdiction over forest lands should be at liberty to enter into cooperative sustained-yield management agreements with the departments mentioned, and permission should also be granted for the inclusion of Indian lands within sustained-yield plans subject to the consent of the Indians concerned.

All of the foregoing principles are either expressly or impliedly recognized by S. 250 in its present form or obviously intended to be applied in its administration, but the provisions of the bill do not prescribe in all particulars a complete, exact, and clear legislative framework for the effectuation of these principles. Accordingly, a suggested revision of the text of the bill has been prepared in the form of the draft accompanying this letter, and is submitted with the recommendation that it be substituted for the present text. This revision, while containing no provision not in accord with the spirit of S. 250 as introduced, embodies a number of very desirable perfecting amendments. The provisions set forth in the draft have been drawn up in collaboration with the Department of Agriculture, and that Department is understood to be in full agreement with this Department as to the need for, and content of, these changes.

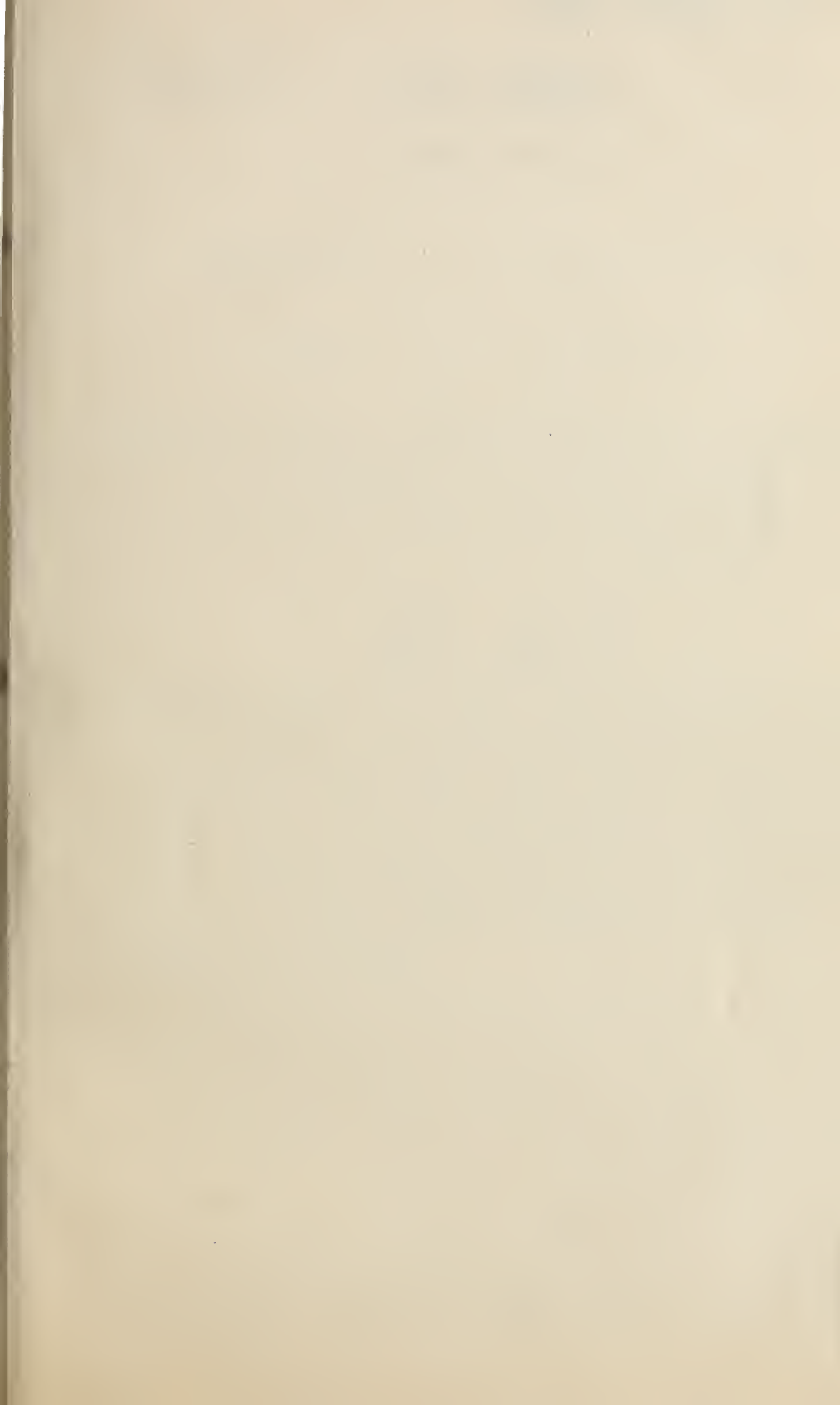
Enactment of S. 250 as thus proposed to be revised would make possible the better utilization of forest resources owned or administered by the Federal Government; would tend to discourage destructive lumbering on privately held forest lands; would strengthen the economic structure of communities dependent upon forest resources; would tend to prevent the deterioration of the tax base attendant upon cut-out-and-get-out methods of lumbering; and would in all probability save many communities from the economic paralysis symbolized by the "ghost town" which has descended upon areas where the lumber industry was not operated on a sustained-yield basis.

The Bureau of the Budget has advised me that there is no objection to the presentation of this report to your committee.

Sincerely yours,

HAROLD L. ICKES,
Secretary of the Interior.





Union Calendar No. 330

78TH CONGRESS
1ST SESSION

S. 250

[Report No. 960]

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 17, 1943

Referred to the Committee on Agriculture

DECEMBER 16, 1943

Reported with an amendment, committed to the Committee of the Whole House
on the state of the Union, and ordered to be printed

[Omit the part struck through and insert the part printed in italic]

AN ACT

To promote sustained-yield forest management in order thereby
(a) to stabilize communities, forest industries, employment,
and taxable forest wealth; (b) to assure a continuous and
ample supply of forest products; and (c) to secure the bene-
fits of forests in regulation of water supply and stream flow,
prevention of soil erosion, amelioration of climate, and
preservation of wildlife.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That in order to promote the stability of forest industries, of
4 employment, of communities, and of taxable forest wealth,
5 through continuous supplies of timber; in order to provide for
6 a continuous and ample supply of forest products; and in

1 order to secure the benefits of forests in maintenance of water
2 supply, regulation of stream flow, prevention of soil erosion,
3 amelioration of climate, and preservation of wildlife, the
4 Secretary of Agriculture and the Secretary of the Interior
5 are severally authorized to establish by formal declaration,
6 when in their respective judgments such action would be in
7 the public interest, cooperative sustained-yield units which
8 shall consist of federally owned or administered forest land
9 under the jurisdiction of the Secretary establishing the unit
10 and, in addition thereto, land which reasonably may be
11 expected to be made the subject of one or more of the coop-
12 erative agreements with private landowners authorized by
13 section 2 of this Act.

14 SEC. 2. The Secretary of Agriculture, with respect to
15 forest land under his jurisdiction, and the Secretary of the
16 Interior, with respect to forest land under his jurisdiction,
17 are severally authorized, for the purposes specified in section
18 1 of this Act, to enter into cooperative agreements with
19 private owners of forest land within a cooperative sustained-
20 yield unit, established pursuant to section 1 of this Act,
21 providing for the coordinated management of such private
22 forest land and of federally owned or administered forest lands
23 within the sustained-yield unit involved.

24 Each cooperative agreement may give the cooperating
25 private landowner the privilege of purchasing without com-

1 petitive bidding at prices not less than their appraised value.
2 subject to periodic readjustments of stumpage rates and to
3 such other conditions and requirements as the Secretary may
4 prescribe, timber and other forest products from federally
5 owned or administered forest land within the unit, in accord-
6 ance with the provisions of sustained-yield management plans
7 formulated or approved by the Secretary for the unit; shall
8 limit the time, rate, and method of cutting or otherwise har-
9 vesting timber and other forest products from the land of the
10 cooperating private landowner, due consideration being given
11 to the character and condition of the timber, to the relation
12 of the proposed cutting to the sustained-yield plan for the
13 unit, and to the productive capacity of the land; shall pre-
14 scribe the terms and conditions upon which the cooperating
15 private landowner may sell to any person timber and other
16 forest products from his land, compliance by the purchaser
17 with such conditions to be required by the contract of sale:
18 shall contain such provisions as the Secretary deems necessary
19 to protect the reasonable interest of other owners of forest
20 land within the unit; and shall contain such other provisions
21 as the Secretary believes necessary to carry out the purposes
22 of this Act.

23 Each cooperative agreement shall be placed on record
24 in the county or counties in which the lands of the cooperat-
25 ing private landowner covered thereby are located, and

1 the costs incident to such recordation may be paid out of
2 any funds available for the protection or management of
3 federally owned or administered forest land within the unit.
4 When thus recorded, the agreement shall be binding upon
5 the heirs, successors, and assigns of the owner of such land,
6 and upon purchasers of timber or other forest products from
7 such land, throughout the life of such cooperative agreement.

8 SEC. 3. The Secretary of Agriculture and the Secretary
9 of the Interior are further severally authorized, whenever in
10 their respective judgments the maintenance of a stable com-
11 munity or communities is primarily dependent upon the sale
12 of timber or other forest products from federally owned or
13 administered forest land and such maintenance cannot effec-
14 tively be secured by following the usual procedure in selling
15 such timber or other forest products, to establish by formal
16 declaration for the purpose of maintaining the stability of
17 such community or communities a sustained-yield unit con-
18 sisting of forest land under the jurisdiction of the Secretary
19 establishing such unit, to determine and define the boundaries
20 of the community or communities for whose benefit such unit
21 is created, and to sell, subject to such conditions and require-
22 ments as the Secretary believes necessary, federally owned
23 or administered timber and other forest products from such
24 unit without competitive bidding at prices not less than their

1 appraised values, to responsible purchasers within such com-
2 munity or communities.

3 SEC. 4. Each of the said Secretaries is further author-
4 ized in his discretion to enter into cooperative agreements
5 with the other Secretary, or with any Federal agency having
6 jurisdiction over federally owned or administered forest land,
7 or with any State or local agency having jurisdiction over
8 publicly owned or administered forest land, providing for
9 the inclusion of such land in any coordinated plan of manage-
10 ment otherwise authorized by the provisions of this Act
11 when by such a cooperative agreement he may be aided
12 in accomplishing the purposes of this Act; but no federally
13 or publicly owned or administered forest land not under the
14 jurisdiction of the Secretary establishing the sustained-yield
15 unit concerned shall be included in any such plan except in
16 pursuance of a cooperative agreement made under this section.

17 SEC. 5. Before any sustained-yield unit authorized by
18 section 1 or section 3 of this Act shall be established, and
19 before any cooperative agreement authorized by section 2
20 or section 4 of this Act shall be entered into, advance notice
21 thereof shall be given by publication in one or more news-
22 papers of general circulation in the vicinity of the place
23 where the timber is located, and the costs incident to such
24 publication may be paid out of any funds available for

1 the protection or management of the federally owned or
2 administered forest land involved. This notice shall state:
3 (1) the location of the proposed unit; (2) the name of each
4 proposed cooperator; (3) the duration of the proposed coop-
5 erative agreement or agreements; (4) the location and esti-
6 mated quantity of timber on the land of each proposed
7 cooperator and on the Federal land involved; (5) the ex-
8 pected rate of cutting of such timber; and (6) the time and
9 place of a public hearing to be held not less than thirty days
10 after the first publication of said notice for the presentation
11 of the advantages and disadvantages of the proposed action
12 to the community or communities affected.

13 Before any sale agreement made without competition
14 and involving more than \$500 in stumpage value of federally
15 owned or administered timber shall be entered into under this
16 Act, advance notice thereof shall be given by publication in
17 one or more newspapers of general circulation in the vicinity
18 of the place where the timber is located, and the costs incident
19 to such publication may be paid out of any funds available
20 for the protection or management of federally owned or ad-
21 ministered forest land within the unit concerned. This notice
22 shall state: (1) the quantity and appraised value of the
23 timber; (2) the time and place of a public hearing to be held
24 not less than thirty days after the first publication of said
25 notice if requested by the State or county where the timber

1 is located or by any other person deemed to have a reasonable
2 interest in the proposed sale or in its terms; and (3) the place
3 where any request for a public hearing shall be made. Such
4 requests need be considered only if received at the place
5 designated in the notice not later than fifteen days after the
6 first publication of such notice. If a request for a hearing is
7 received within the time designated, notice of the holding of
8 the hearing shall be given not less than ten days before the
9 time set for such hearing, in the same manner as provided for
10 the original notice.

11 The determination made by the Secretary having juris-
12 diction upon the proposals considered at any such hearing,
13 which determination may include the modification of the
14 terms of such proposals without further hearing thereon, to-
15 gether with the minutes or other record of the hearing, shall
16 be available for public inspection during the life of any co-
17 ordinated plan of management or agreement entered into in
18 consequence of such determination.

19 SEC. 6. In addition to any other remedy available under
20 existing law, upon failure of any private owner of forest
21 land which is subject to a cooperative agreement entered into
22 pursuant to this Act to comply with the terms of such agree-
23 ment, or upon failure of any purchaser of timber or other
24 forest products from such land to comply with the terms and
25 conditions required by such agreement to be included in the

1 contract of sale, the Attorney General, at the request of the
2 Secretary concerned, is authorized to institute against such
3 owner or such purchaser a proceeding in equity in the proper
4 "district court of the United States, to require compliance
5 with the terms and conditions of said cooperative agreement;
6 and jurisdiction is hereby conferred upon said district courts
7 to hear and determine such proceedings, to order compliance
8 with the terms and conditions of cooperative agreements
9 entered into pursuant to this Act, and to make such tempo-
10 rary and final orders as shall be deemed just in the premises.
11 As used in this section the term "owner" shall include the
12 heirs, successors, and assigns of the landowner entering into
13 the cooperative agreements.

14 SEC. 7. Whenever used in this Act, the term "federally
15 owned or administered forest land" shall be construed to
16 mean forest land in which, or in the natural resources of
17 which, the United States has a legal or equitable interest of
18 any character sufficient to entitle the United States to control
19 the management or disposition of the timber or other forest
20 products thereon, except land heretofore or hereafter reserved
21 or withdrawn for purposes which are inconsistent with the
22 exercise of the authority conferred by this Act; and shall
23 include trust or restricted Indian land, whether tribal or
24 allotted, except that the timber and other forest products on

1 such land shall not be sold without the consent of the Indians
2 concerned.

3 SEC. 8. The Secretary of Agriculture and the Secretary
4 of the Interior may severally prescribe such rules and regula-
5 tions as may be appropriate to carry out the purposes of this
6 Act. Each Secretary may delegate any of his powers and
7 duties under this Act to other officers or employees of his
8 Department.

9 SEC. 9. Nothing contained in this Act shall be construed
10 to abrogate or curtail any authority conferred upon the Secre-
11 tary of Agriculture or the Secretary of the Interior by any
12 Act relating to management of federally owned or admin-
13 istered forest lands, and nothing contained in any such Acts
14 shall be construed to limit or restrict any authority conferred
15 upon the Secretary of Agriculture or the Secretary of the
16 Interior by this Act.

17 ~~SEC. 10. There are hereby authorized to be appropriated~~
18 ~~for the purposes of this Act such sums as the Congress may~~
19 ~~from time to time deem necessary.~~

20 *SEC. 10. Funds available for the protection or manage-*
21 *ment of Federally owned or administered forest land within*
22 *the unit concerned may also be expended in carrying out the*
23 *purposes of this Act, and there are hereby authorized to be*
24 *appropriated such additional sums for the purposes of this*

1 *Act as the Congress may from time to time deem necessary,*
2 *but such additional sums shall not exceed \$150,000 for the*
3 *Department of Agriculture and \$50,000 for the Department*
4 *of the Interior, for any fiscal year.*

Passed the Senate July 8 (legislative day, May 24),
1943.

Attest:

EDWIN A. HALSEY,
Secretary.

AN ACT

To promote sustained-yield forest management in order thereby (a) to stabilize communities, forest industries, employment, and taxable forest wealth; (b) to assure a continuous and ample supply of forest products; and (c) to secure the benefits of forests in regulation of water supply and stream flow, prevention of soil erosion, amelioration of climate, and preservation of wildlife.

SEPTEMBER 17, 1943

Referred to the Committee on Agriculture

DECEMBER 16, 1943

Reported with an amendment, committed to the Committee of the Whole House on the state of the Union, and ordered to be printed

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma [Mr. RIZLEY]?

There was no objection.

[The matter referred to appears in the Appendix.]

PERMISSION TO ADDRESS THE HOUSE

Mr. RIZLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma [Mr. RIZLEY]?

There was no objection.

DRAFT DEFERMENTS IN CONNECTION WITH SECURING FARM MACHINERY

Mr. RIZLEY. Mr. Speaker, I wonder how many Members are aware of the fact that the A. A. A. is being used for the purpose of determining whether farmers are entitled to draft deferments or are entitled to secure farm machinery.

I hold in my hand a card sent out from one of the county committees in my district which reads in part as follows:

Your community committeeman will be in Hawley on March 17 to assist you in executing your 1944 farm plan sheet and to explain 1944 practice payments that can be earned on your farm.

Then further on:

These plan sheets will be used to secure information for draft deferments and securing farm machinery.

So far as I know the Congress, the Selective Service, nor anyone else with authority has ever made signing up for the triple A program a condition precedent to qualify for deferment as an essential agriculturalist, or to secure necessary farm machinery. This should be immediately investigated.

The SPEAKER. The time of the gentleman has expired.

EXTENSION OF REMARKS

Mr. KUNKEL. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and to include therein a radio speech delivered by me, and I also ask unanimous consent to extend my own remarks and to include therein a poem by a constituent of mine.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania [Mr. KUNKEL]?

There was no objection.

[The matter referred to appears in the Appendix.]

(Mr. KENNEDY asked and was given permission to extend his own remarks in the Record.)

Mr. HAGEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and to include therein a brief article from the Saturday Evening Post.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota [Mr. HAGEN]?

There was no objection.

[The matter referred to appears in the Appendix.]

PERMISSION TO ADDRESS THE HOUSE

Mr. BURDICK. Mr. Speaker, I ask unanimous consent to address the House

for 1 minute, to revise and extend my own remarks and that the same may appear in the Appendix of the Record.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota [Mr. BURDICK]?

There was no objection.

[Mr. BURDICK addressed the House. His remarks appear in the Appendix of today's Record.]

EXTENSION OF REMARKS

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and include therein the text of a resolution I have introduced, and two or three editorials.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

[The matter referred to appears in the Appendix.]

(Mr. OUTLAND asked and was given permission to extend his own remarks in the Record.)

PERMISSION TO ADDRESS THE HOUSE

Mr. DICKSTEIN. Mr. Speaker, I ask unanimous consent that on tomorrow, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 25 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

EXTENSION OF REMARKS

Mr. SIKES. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Appendix of the Record and include therein a radio address delivered by me in my district.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

[The matter referred to appears in the Appendix.]

PERMISSION TO ADDRESS THE HOUSE

Mr. SIKES. Mr. Speaker, I ask unanimous consent that today, following any special orders heretofore entered, I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

TWO-THIRDS MAJORITY SYSTEM OF NOMINATING PRESIDENTIAL CANDIDATES

Mr. CELLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my address.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr. Speaker, the New York Times reports that our distinguished colleague the gentleman from Georgia [Mr. Cox] urged that the South

unite to compel the Democratic National Convention to return to the two-thirds majority system of nominating Presidential candidates. I think this is sort of a stop-Roosevelt proposal. Our gallant and distinguished Member may be woefully misguided in that regard. I say, as delegate myself to the convention, and as dean of the New York Democratic delegation, I would oppose any such proposal. It would be trying to make progress by going backward. The gentleman from Georgia, either willingly or unwillingly—I am hopefully sure unwillingly—plays into the hands of Roosevelt baiters like Woodring, former Senator Reed, of Missouri, and former Congressman John J. O'Connor and other disgruntled, frustrated, and revengeful former Democrats—all sappers and underminers of our Democratic Party. They are Pharisees, and must be denied admission as Democrats to the Chicago convention. The Republicans are welcome to them. I fear that GENE has the wrong sow by the ear.

PERMISSION TO ADDRESS THE HOUSE

Mr. MURRAY of Wisconsin. Mr. Speaker, I ask unanimous consent that on Wednesday next, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

EXTENSION OF REMARKS

Mr. MURRAY of Wisconsin asked and was given permission to extend his own remarks in the Record.

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and include therein an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and include therein a statement by Willard H. Dow, president and general manager of the great Dow Chemical Co. I have submitted this document to the Government Printer, and I find, Mr. Speaker, that it will take three and three-quarters pages of the Record, the cost of which will be \$163.75. I ask that, notwithstanding the cost, I be permitted to extend my remarks in the Appendix of the Record and include therein this document.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

[The matter referred to will appear hereafter in the Appendix.]

CORRECTION OF THE RECORD

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to make a clerical

correction in the remarks I made in the Committee of the Whole on yesterday.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

EXTENSION OF REMARKS

Mr. MANSFIELD of Montana. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a newspaper article, and further to extend my remarks in the RECORD and include therein a petition from the Bataan Relief Organization of Missoula, Mont.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. ROBERTSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on the hearings of the Select Committee on Conservation of Wildlife Resources, and include therein a letter and a news release.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. ROGERS of California. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a radio address I delivered last week.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. RANKIN. Reserving the right to object, Mr. Speaker, I want to serve notice on the gentleman from California that he stuck some stuff in the RECORD yesterday that somebody else wrote that contains a miserable lying attack on me, and I expect to answer it tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

[The matter referred to appears in the Appendix.]

SUSTAINED-YIELD FOREST MANAGEMENT

Mr. ELLSWORTH. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 250) to promote sustained-yield forest management in order thereby (a) to stabilize forest wealth; (b) to assure a continuous and ample supply of forest products; and (c) to secure the benefits of forests in regulation of water supply and stream flow, prevention of soil erosion, amelioration of climate, and preservation of wildlife.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That in order to promote the stability of forest industries, of employment, of communities, and of taxable forest wealth, through continuous supplies of timber; in order to provide for a continu-

ous and ample supply of forest products; and in order to secure the benefits of forests in maintenance of water supply, regulation of stream flow, prevention of soil erosion, amelioration of climate, and preservation of wildlife, the Secretary of Agriculture and the Secretary of the Interior are severally authorized to establish by formal declaration, when in their respective judgments such action would be in the public interest, cooperative sustained-yield units which shall consist of federally owned or administered forest land under the jurisdiction of the Secretary establishing the unit and, in addition thereto, land which reasonably may be expected to be made the subject of one or more of the cooperative agreements with private landowners authorized by section 2 of this act.

SEC. 2. The Secretary of Agriculture, with respect to forest land under his jurisdiction, and the Secretary of the Interior, with respect to forest land under his jurisdiction, are severally authorized, for the purposes specified in section 1 of this act, to enter into cooperative agreements with private owners of forest land within a cooperative sustained-yield unit, established pursuant to section 1 of this act, providing for the coordinated management of such private forest land and of federally owned or administered forest lands within the sustained-yield unit involved.

Each cooperative agreement may give the cooperating private landowner the privilege of purchasing without competitive bidding at prices not less than their appraised value, subject to periodic readjustments of stumpage rates and to such other conditions and requirements as the Secretary may prescribe, timber and other forest products from federally owned or administered forest land within the unit, in accordance with the provisions of sustained-yield management plans formulated or approved by the Secretary for the unit; shall limit the time, rate, and method of cutting or otherwise harvesting timber and other forest products from the land of the cooperating private landowner, due consideration being given to the character and condition of the timber, to the relation of the proposed cutting to the sustained-yield plan for the unit, and to the productive capacity of the land; shall prescribe the terms and conditions upon which the cooperating private landowner may sell to any person timber and other forest products from his land, compliance by the purchaser with such conditions to be required by the contract of sale; shall contain such provisions as the Secretary deems necessary to protect the reasonable interest of other owners of forest land within the unit; and shall contain such other provisions as the Secretary deems necessary to protect the reasonable interest of other owners of forest land within the unit; and shall contain such other provisions as the Secretary believes necessary to carry out the purposes of this act.

Each cooperative agreement shall be placed on record in the county or counties in which the lands of the cooperating private landowner covered thereby are located, and the costs incident to such recordation may be paid out of any funds available for the protection or management of federally owned or administered forest land within the unit. When thus recorded, the agreement shall be binding upon the heirs, successors, and assigns of the owner of such land, and upon purchasers of timber or other forest products from such land, throughout the life of such cooperative agreement.

SEC. 3. The Secretary of Agriculture and the Secretary of the Interior are further severally authorized, whenever in their respective judgments the maintenance of a stable community or communities is primarily dependent upon the sale of timber or other

forest products from federally owned or administered forest land and such maintenance cannot effectively be secured by following the usual procedure in selling such timber or other forest products, to establish by formal declaration for the purpose of maintaining the stability of such community or communities a sustained-yield unit consisting of forest land under the jurisdiction of the Secretary establishing such unit, to determine and define the boundaries of the community or communities for whose benefit such unit is created, and to sell, subject to such conditions and requirements as the Secretary believes necessary, federally owned or administered timber and other forest products from such unit without competitive bidding at prices not less than their appraised values, to responsible purchasers within such community or communities.

SEC. 4. Each of the said Secretaries is further authorized in his discretion to enter into cooperative agreements with the other Secretary, or with any Federal agency having jurisdiction over federally owned or administered forest land, or with any State or local agency having jurisdiction over publicly owned or administered forest land, providing for the inclusion of such land in any coordinated plan of management otherwise authorized by the provisions of this act when by such a cooperative agreement he may be aided in accomplishing the purposes of this act; but no federally or publicly owned or administered forest land not under the jurisdiction of the Secretary establishing the sustained-yield unit concerned shall be included in any such plan except in pursuance of a cooperative agreement made under this section.

SEC. 5. Before any sustained-yield unit authorized by section 1 or section 3 of this act shall be established, and before any cooperative agreement authorized by section 2 or section 4 of this act shall be entered into, advance notice thereof shall be given by publication in one or more newspapers of general circulation in the vicinity of the place where the timber is located, and the costs incident to such publication may be paid out of any funds available for the protection or management of the federally owned or administered forest land involved. This notice shall state: (1) The location of the proposed unit; (2) the name of each proposed cooperator; (3) the duration of the proposed cooperative agreement or agreements; (4) the location and estimated quantity of timber on the land of each proposed cooperator and on the Federal land involved; (5) the expected rate of cutting of such timber; and (6) the time and place of a public hearing to be held not less than 30 days after the first publication of said notice for the presentation of the advantages and disadvantages of the proposed action to the community or communities affected.

Before any sale agreement made without competition and involving more than \$500 in stumpage value of federally owned or administered timber shall be entered into under this act, advance notice thereof shall be given by publication in one or more newspapers of general circulation in the vicinity of the place where the timber is located, and the costs incident to such publication may be paid out of any funds available for the protection or management of federally owned or administered forest land within the unit concerned. This notice shall state: (1) The quantity and appraised value of the timber; (2) the time and place of a public hearing to be held not less than 30 days after the first publication of said notice if requested by the State or county where the timber is located or by any other person deemed to have a reasonable interest in the proposed sale or in its terms; and (3) the place where any request for a public hearing shall be made. Such requests need be considered only if received at the place designated in the notice not later than 15 days after the first publication of such notice.

If a request for a hearing is received within the time designated, notice of the holding of the hearing shall be given not less than 10 days before the time set for such hearing, in the same manner as provided for the original notice.

The determination made by the Secretary having jurisdiction upon the proposals considered at any such hearing, which determination may include the modification of the terms of such proposals without further hearing thereon, together with the minutes or other record of the hearing, shall be available for public inspection during the life of any coordinated plan of management or agreement entered into in consequence of such determination.

SEC. 6. In addition to any other remedy available under existing law, upon failure of any private owner of forest land which is subject to a cooperative agreement entered into pursuant to this act to comply with the terms of such agreement, or upon failure of any purchaser of timber or other forest products from such land to comply with the terms and conditions required by such agreement to be included in the contract of sale, the Attorney General, at the request of the Secretary concerned, is authorized to institute against such owner or such purchaser a proceeding in equity in the proper district court of the United States, to require compliance with the terms and conditions of said cooperative agreement; and jurisdiction is hereby conferred upon said district courts to hear and determine such proceedings, to order compliance with the terms and conditions of cooperative agreements entered into pursuant to this act, and to make such temporary and final orders as shall be deemed just in the premises. As used in this section the term "owner" shall include the heirs, successors, and assigns of the landowner entering into the cooperative agreements.

SEC. 7. Whenever used in this act, the term "federally owned or administered forest land" shall be construed to mean forest land in which, or in the natural resources of which, the United States has a legal or equitable interest of any character sufficient to entitle the United States to control the management or disposition of the timber or other forest products thereon, except land heretofore or hereafter reserved or withdrawn for purposes which are inconsistent with the exercise of the authority conferred by this act; and shall include trust or restricted Indian land, whether tribal or allotted, except that the timber and other forest products on such land shall not be sold without the consent of the Indians concerned.

SEC. 8. The Secretary of Agriculture and the Secretary of the Interior may severally prescribe such rules and regulations as may be appropriate to carry out the purposes of this act. Each Secretary may delegate any of his powers and duties under this act to other officers or employees of his Department.

SEC. 9. Nothing contained in this act shall be construed to abrogate or curtail any authority conferred upon the Secretary of Agriculture or the Secretary of the Interior by any act relating to management of federally owned or administered forest lands, and nothing contained in any such acts shall be construed to limit or restrict any authority conferred upon the Secretary of Agriculture or the Secretary of the Interior by this act.

SEC. 10. There are hereby authorized to be appropriated for the purposes of this act such sums as the Congress may from time to time deem necessary.

With the following committee amendment:

Page 9, line 17, strike out all of section 10 and insert the following:

"SEC. 10. Funds available for the protection or management of federally owned or administered forest land within the unit concerned may also be expended in carrying out the

purposes of this act, and there are hereby authorized to be appropriated such additional sums for the purposes of this act as the Congress may from time to time deem necessary, but such additional sums shall not exceed \$150,000 for the Department of Agriculture and \$50,000 for the Department of the Interior for any fiscal year."

The committee amendment was agreed to.

Mr. CASE. Mr. Speaker, I offer some amendments which are at the desk, and which I have submitted to the chairman and the objectors on both sides, and they are agreeable to them.

The Clerk read as follows:

Amendments offered by Mr. CASE:

On page 3, line 14, after the word "conditions", insert "but not the price."

On page 5, line 21, after the words "shall be given", insert "by registered mail to each landowner whose land is proposed to be included and."

On page 6, line 16, after the word "publication", insert "once weekly for 4 consecutive weeks."

On page 7, line 14, strike out the words "without further hearing thereon."

On page 8, line 24, strike out the words "the timber and other forest products on."

On page 9, line 1, strike out the word "sold" and insert the word "included."

Mr. McCORMACK. Mr. Speaker, I move to strike out the last word.

Will the gentleman explain the amendments for the Record and for the benefit of the Members?

Mr. CASE. I will be very glad to. These amendments are designed to overcome the objections which I voiced yesterday at the time the bill was under consideration. In each case the purpose of the amendment is to give ample notice to the persons concerned whose lands might be included in either sale or in these cooperative agreements. It will do nothing as far as destroying the major purpose of the bill is concerned.

Mr. McCORMACK. The gentleman has taken up the amendments with the members of the committee?

Mr. CASE. Yes; with the gentleman from Tennessee [Mr. PRIEST] and the gentleman from New York [Mr. COLE].

The SPEAKER. The question is on the amendments offered by the gentleman from South Dakota [Mr. CASE].

The amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CALENDAR WEDNESDAY BUSINESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the business in order on tomorrow, Calendar Wednesday, be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. HOFFMAN asked and was given permission to extend his own remarks in the Record.

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and to include therein a joint resolution adopted by the Legislature of the State of Vermont.

The SPEAKER. Is there objection to the request of the gentleman from Vermont?

There was no objection.

[The matter referred to appears in the Appendix.]

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first bill on the Private Calendar.

DANIEL D. O'CONNELL AND ALMON B. STEWART

The Clerk called the first bill on the Private Calendar, H. R. 1962, for the relief of Daniel D. O'Connell and Almon B. Stewart.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Daniel D. O'Connell and Almon B. Stewart, both of Bangor, Maine, the sums of \$544.16 and \$1,732.22, respectively. Payment of such sums shall be in full satisfaction of all claims against the United States for damages sustained by them by the failure of George E. Glunt, of Altoona, Pa., to pay said Daniel D. O'Connell and Almon B. Stewart for labor and materials furnished as subcontractors under said George E. Glunt, who held a contract with the Civil Aeronautics Administration for the construction of an airways communication station building at the Bangor (Maine) Airport: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

With the following committee amendment:

Page 1, line 7, strike out "Payment of such sums shall be."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROSCOE MCKINLEY MEADOWS

The Clerk called the next bill, H. R. 1232, for the relief of Roscoe McKinley Meadows.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the Emergency Officers' Retirement Act of May 24, 1928, Roscoe McKinley Meadows shall be held and considered to have served as an officer of the Navy of the United States during the World War other than as an officer of the Regular Navy.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. MARIA VIRTUDES TORRES STERE

The Clerk called the next bill, H. R. 1715, for the relief of Mrs. Maria Virtudes Torres Stere.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GRANT of Indiana and Mr. McGREGOR objected; and under the rule, the bill was recommitted to the Committee on Immigration and Naturalization.

Mr. PRIEST. Mr. Speaker, that concludes the call of the calendar for today.

CALL OF THE HOUSE

Mr. RANKIN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 46]		
Andresen,	Gamble	O'Brien, Mich.
August H.	Gathings	O'Connor
Baldwin, Md.	Gearhart	O'Toole
Baldwin, N. Y.	Gibson	Pfeifer
Barden	Gifford	Phillips
Barry	Green	Pracht,
Bates, Mass.	Hall,	C. Frederick
Bender	Edwin Arthur Pratt,	
Bennett, Mich.	Hancock	Joseph M.
Bonner	Harless, Ariz.	Ramey
Buckley	Heffernan	Rivers
Burgin	Hendricks	Sabath
Busbey	Judd	Sadowski
Byrne	Kee	Scanlon
Camp	Kelley	Short
Chenoweth	Keogh	Smith, Va.
Cox	King	Snyder
Curley	Klein	Somers, N. Y.
Dawson	Lambertson	Stearns, N. H.
Dingell	Lane	Taylor
Disney	Larcade	Treadway
Eaton	LeFevre	Vorys, Ohio
Engel, Mich.	McGehee	Vursell
Feighan	McLean	Weaver
Fernandez	Maas	Whelchel, Ga.
Fish	Manasco	Winter
Fogarty	Marcantonio	Woodrum, Va.
Folger	Morrow	Zimmerman
Fulmer	Monroney	
Furlong	Morrison, N. C.	

The SPEAKER. On this roll call 344 Members have answered to their names. A quorum is present.

By unanimous consent, further proceedings under the call, were dispensed with.

EXTENSION OF REMARKS

Mr. MAY. Mr. Speaker, I ask unanimous consent that I may extend my remarks in the RECORD and include an article from the Chesapeake & Ohio Railway Time Card.

The SPEAKER. Is there objection? There was no objection.

[The matter referred to appears in the Appendix.]

Mr. ANDERSON of New Mexico. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a radio address delivered by my colleague, the gentleman from New Mexico [Mr. FERNANDEZ].

The SPEAKER. Is there objection? There was no objection.

[The matter referred to will appear hereafter in the Appendix.]

Mr. BLOOM. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a letter and an article by Mr. Crowley.

The SPEAKER. Is there objection? There was no objection.

[The matter referred to appears in the Appendix.]

Mr. BRADLEY of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a broadcast which I intend to make next Sunday over WSOO.

The SPEAKER. Is there objection? There was no objection.

[The matter referred to will appear hereafter in the Appendix.]

Mr. WEICHEL of Ohio. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an editorial.

The SPEAKER. Is there objection? There was no objection.

[The matter referred to appears in the Appendix.]

Mr. SHAFER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include some letters.

The SPEAKER. Is there objection? There was no objection.

[The matter referred to appears in the Appendix.]

RIVER AND HARBOR ACT

Mr. MANSFIELD of Texas. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 3961) authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 3961, with Mr. COSTELLO in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. The Clerk has concluded the reading of the first section of the bill. That section is now open to amendment. Does the gentleman from Texas [Mr. MANSFIELD] desire to offer any amendments?

Mr. MANSFIELD of Texas. I do, Mr. Chairman.

Mr. BLAND. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. Does the gentleman from Texas yield for a parliamentary inquiry?

Mr. MANSFIELD of Texas. Certainly.

Mr. BLAND. Mr. Chairman, as I understand, the various amendments that are proposed by the committee will be offered first to the section which has been read.

The CHAIRMAN. The gentleman is quite correct.

Mr. BLAND. That leaves the rest of us who are not on the committee sitting on the outside looking in. I wonder if we could not have some greater semblance of order on the consideration of those amendments by considering the bill by pages, so that the amendments of the committee to a particular page might be offered, and then those on the outside who have amendments to be considered, might offer their amendments.

The CHAIRMAN. The Chair will state to the gentleman from Virginia that un-

doubtedly the amendments to be brought before the Committee will be offered in sequence according to pages, but it has been the standing rule of the House that members of a committee handling legislation shall be given preference in recognition.

Mr. BLAND. There are some 32 amendments to be offered by the committee. I have an amendment on page 10 which I wanted to offer. I ask unanimous consent that the amendments be considered by pages.

Mr. WHITE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. WHITE. It is my understanding that the procedure under which amendments would be considered today was agreed upon last evening by unanimous consent. Am I right?

The CHAIRMAN. There was simply an understanding that that would be the method under which the Committee would proceed. No unanimous-consent request was submitted, but that has been the order in which amendments have been recognized, preference being given to members of the committee handling the legislation. Other Members having amendments are recognized following the recognition of members of the committee.

Mr. WHITE. Mr. Chairman, if my memory serves me correct, I think the RECORD of yesterday's proceedings will show that unanimous consent was asked and given for a certain procedure to be followed today.

The CHAIRMAN. The Chair will state to the gentleman from Idaho that the Committee will proceed, under the rules of the House, and the chairman of the committee in charge of the legislation will be recognized first to submit amendments.

The gentleman from Texas is recognized.

Mr. MANSFIELD of Texas. Mr. Chairman, I presume the amendments as published in the RECORD this morning will be considered in sequence.

The CHAIRMAN. Does the gentleman desire to offer them at this time?

Mr. MANSFIELD of Texas. Yes, Mr. Chairman.

Mr. Chairman, I offer the first committee amendment. I may say this appears at page 2806 of the RECORD.

The Clerk read as follows:

Committee amendment offered by Mr. MANSFIELD of Texas: Page 2, lines 19 and 20, strike out "authorized by any act of Congress" and insert "constructed and maintained under the direction of the Secretary of War and supervision of the Chief of Engineers."

Mr. CARTER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CARTER. I have an amendment at the Clerk's desk that, in line 16, page 2, inserts a period after the word "region" and strikes out the remainder of the paragraph. Is my motion to strike out the paragraph, which would be amended by the amendment offered by the gentleman from Texas, in order at this time as a substitute?

mittee on Agriculture and Forestry when I came to the Senate, and that committee has had jurisdiction over the subject matter since that time. For a number of years I was chairman of the committee, and various bills affecting the Muscle Shoals project, and later bills affecting what is now known as the Tennessee Valley Authority, came before the Senate.

I recall most graphically that when I was chairman of the committee much of the legislation revolved about processes for the fixation of atmospheric nitrogen. We studied the arc process, the cyanimid process, the Haber process, and finally the synthetic process. That is all a matter of history, but it all ripened into the present organization known as the T. V. A.

As a member of the Committee on Agriculture and Forestry, and as its chairman at one time, I served on conferences, and always exercised my interest in behalf of this project. I hope I have been helpful in the development of that great undertaking.

I think we generally accord the able senior Senator from Nebraska, Mr. Norris, the distinction of being the father of the T. V. A., and from the able speech made by the distinguished Senator from Tennessee [Mr. McKellar], it appears he was the father of the Muscle Shoals project, and, as the latter begat the former project, this would seem to make him a kind of foster grandfather of the T. V. A. I think I might be called a remote cousin by a line of consanguinity, because my affiliations with this project, and the legislation affecting it, have been very much in my life. I am glad, however, to know the genealogy of this whole undertaking as manifested by the speeches of these two able Senators.

I concede that there is much to contemplate and that serious study should be given to the proposal made by the Senator from Tennessee. I do not like the procedure under which this matter comes before the Senate in the pending bill. For years I have tried to conform to the Senate rules, and as ex officio member of the Appropriations Committee, as a member of the Committee on Agriculture and Forestry, and the Committee on Commerce I have repeatedly opposed proposals of legislation on appropriation bills. The function of an appropriation bill is to appropriate money, and the members of the Committee on Appropriations become familiar with the various projects which come before that committee. In connection with matters of independent legislation, or legislative bills in general, we have committees having jurisdiction of the various subject matters, who have the duty and the right and the jurisdiction to handle legislative matters. This indicates the objection I am now interposing to the matter before us as it is presented today, and my vote will be against the action of the Committee on Appropriations.

I have in mind rule XVI of the Senate Rules, subdivision 4, with which all Senators are conversant, I am sure. It provides:

"No amendment which proposes general legislation shall be received to any general appropriation bill, nor shall any amendment not germane or relevant to the subject matter contained in the bill be received."

I think the amendment now before the Senate violates two of those provisions. I am sure it is legislation on an appropriation bill. It is no defense to say that it is legislation coming from the House of Representatives on the pending appropriation bill.

I shall not read any more of Senator McNary's statement. I wished to develop the judgment of that great man upon the danger of legislating in this way, in an appropriation bill, on a great and important issue.

There are a great many things, Mr. President, which I should like to say, but I shall not take any more time of the Senate. I know that Senators are tired of the discussion, and there are yet other Senators who wish to speak.

In my judgment, we are asked to set a bad precedent. It would be a bad thing to do at this time what is proposed. As I conceive it, if Mr. Lilienthal deserves punishment, he should not be punished by the Congress in the manner suggested.

Mr. BARKLEY obtained the floor.

Mr. HILL. Mr. President, will the Senator yield, so that I may make the point of no quorum?

Mr. BARKLEY. I yield.

Mr. HILL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Alken	George	Robertson
Andrews	Gerry	Russell
Austin	Gillette	Shipstead
Ball	Green	Smith
Bankhead	Guffey	Stewart
Barkley	Hawkes	Taft
Bone	Hayden	Thomas, Idaho
Brewster	Hill	Thomas, Utah
Bridges	Holman	Tunnell
Brooks	La Follette	Tydings
Buck	Langer	Vandenberg
Burton	McCarran	Wagner
Bushfield	McClellan	Walsh, Mass.
Butler	McFarland	Walsh, N. J.
Byrd	McKellar	Weeks
Capper	Maloney	Wheeler
Clark, Mo.	Maybank	Wherry
Connally	Mead	White
Danaher	Millikin	Wiley
Davis	O'Mahoney	Willis
Downey	Overton	Wilson
Eastland	Radcliffe	
Ellender	Revercomb	

The PRESIDING OFFICER. Sixty-seven Senators having answered to their names, a quorum is present.

PROMOTION OF SUSTAINED-YIELD FOREST MANAGEMENT

The PRESIDING OFFICER (Mr. McFarland in the chair) laid before the Senate the amendments of the House of Representatives to the bill (S. 250) to promote sustained-yield forest management in order thereby (a) to stabilize communities, forest industries, employment, and taxable forest wealth; (b) to assure a continuous and ample supply of forest products; and (c) to secure the benefits of forests in regulation of water supply and stream flow, prevention of soil erosion, amelioration of climate, and preservation of wildlife, which were on page 3, line 14, after "conditions" to insert "but not the price,"; on page 5, line 21, after "given" to insert "by registered mail to each landowner whose land is proposed to be included and"; on page 6, line 16, after "publication" to insert "once weekly for four consecutive weeks"; on page 7, line 14, to strike out "without further hearing thereon"; on page 8, line 24, to strike out "the timber and other forest products on"; on page 9, line 1, to strike out "sold" and insert "included"; and on page 9, to strike out lines 17, 18, and 19 and insert:

SEC. 10. Funds available for the protection or management of federally owned or administered forest land within the unit con-

cerned may also be expended in carrying out the purposes of this act, and there are hereby authorized to be appropriated such additional sums for the purposes of this act as the Congress may from time to time deem necessary, but such additional sums shall not exceed \$150,000 for the Department of Agriculture and \$50,000 for the Department of the Interior, for any fiscal year.

Mr. HOLMAN. Mr. President, I am authorized by the Senator from South Carolina [Mr. SMITH], chairman of the Senate Committee on Agriculture and Forestry, to move the acceptance of the amendments, which are agreeable to the proponents of the bill. I therefore move that the Senate concur in the amendments of the House.

The motion was agreed to.

EXECUTIVE AND INDEPENDENT OFFICES APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 4070) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1945, and for other purposes.

Mr. BARKLEY. Mr. President, I hesitate to take the time of the Senate on the amendments reported by the committee and sponsored by the Senator from Tennessee. I would not do so were it not for the fact that I have a profound conviction that it would be a serious mistake to adopt them.

The history of the Tennessee Valley Authority is very interesting. It had many vicissitudes on the way. It has not been a one-way street, and there is no Member of Congress, either now or heretofore, who is or was wholly responsible for the enactment of the law creating the Tennessee Valley Authority. I happened to have been a Member of the House of Representatives in 1916 during the First World War during the administration of Mr. Woodrow Wilson, referred to by the Senator from Tennessee today. I supported the legislation creating the dam and power plant at Muscle Shoals for the manufacture of nitrates out of which explosives were to be made for war purposes and fertilizer for agricultural purposes.

Following the war the enterprise lay dormant for a number of years. The most active and insistent protagonist of the development of Muscle Shoals, particularly, was the late Representative Almon, of Alabama, in whose district Muscle Shoals was located. From that time until now I have been as active as I knew how to be in developing the Tennessee Valley, which I long ago believed offered one of the great opportunities for the development of a natural resource in a section of the country where it would be propitious to undertake such development, either for the benefit of those who might come within its radius, or as an example of what might be done to other great natural resources in the United States.

I was not and have never been a member of the Committee on Appropriations, nor of the Committee on Agriculture, so that I was not in position originally to vote in the committee for the creation

of the Tennessee Valley Authority. But we all know that legislation was primarily sponsored by the former Senator from Nebraska, Mr. Norris. It came out of the Committee on Agriculture, and one of its great friends in the committee and on the floor was the late Senator from Oregon, Mr. McNary.

The Senator from Tennessee, in the House of Representatives, as a member of the Committee on Military Affairs, and in the Senate, as a member of the Committee on Appropriations, has had the opportunity to render and has been in a position where he could render invaluable service, and he has rendered invaluable service in the creation of the Tennessee Valley Authority and in its completion. He had much help in critical moments here in the Senate. I was one of those who were glad to join with him, with whatever influence and ability and activity I might have, to bring about the development of the Tennessee Valley, and it was developed to a very large degree in Alabama and in Tennessee, and even on some of the stretches of the tributaries of the Tennessee into western North Carolina before it became definitely known that there would ever be built a dam in the State of Kentucky under the Tennessee Valley Authority. When it shall have been completed there will be but one dam in the State of Kentucky; that is the one at Gilbertsville, now known as the Kentucky Dam. The Senator from Tennessee cooperated with me very effectively, and I may say indispensably, in the establishment of the Gilbertsville Dam, but I have likewise cooperated with him to the best of my ability in the establishment of all the dams in Tennessee and Alabama before the Kentucky Dam was ever reached for development.

I regret, Mr. President, that there should have been injected into this fundamental proposition, as I see it, any disagreement on account of personalities as between the Senator from Tennessee and any member of the board of directors of the Tennessee Valley Authority. I know Mr. Lilienthal only slightly. I have never seen him or talked with him about politics. I do not know how he votes or whether he votes or where he votes. My contacts with him have been very infrequent. While Dr. A. E. Morgan was chairman of the board I had many contacts with him, as did the Senator from Tennessee, and sometimes the two of us together contacted him, very frequently unsatisfactorily, I may say.

It is not necessary to go into the disagreements between Dr. Arthur E. Morgan, the first chairman of the Tennessee Valley Authority, and Mr. Lilienthal, or between Dr. Morgan and the Senator from Tennessee—and there were differences—or between Dr. Morgan and me, for there were very acute differences between Dr. Morgan, the first chairman of the Tennessee Valley board and me, and I know there were between him and the Senator from Tennessee, because I participated in some of those differences.

Finally such a situation developed that Dr. Morgan was not in harmony with the policy of the board. The thing dragged along for months, until finally

it became necessary for the President of the United States to take action in order to clear the atmosphere. That was done by the elimination of Dr. Morgan as chairman of the board and as member of the board. What was said by Dr. Morgan about Mr. Lilienthal and what Mr. Lilienthal may have said or thought about Dr. Morgan grew out of the differences between them in the administration of the Tennessee Valley Authority. I do not think they are pertinent here in deciding this question.

I think it is also unfortunate that this legislation comes here as an amendment on a general appropriation bill. My own opinion is that it is not in order under rule XVI. I shall not argue that point now, but rule XVI referred to by the Senator from Alabama as having been discussed by the late Senator from Oregon, Mr. McNary, prohibits on appropriation bills amendments providing for general legislation. The Senator from Oregon pointed out that the mere fact that the House may include a legislative provision in an appropriation bill does not abrogate the rule of the Senate. This is a proposal of new legislation; it changes the operation of the Tennessee Valley Authority. It requires it to put into the general fund of the Treasury of the United States all the moneys it receives from all sources as they are received, day by day, or week by week, and it certainly changes the law as it now exists, either under the original Tennessee Valley Authority Act, or under the amendment of 1935, or under the appropriation bills, and particularly the current appropriation law, which did not change the law as to that particular. Under the appropriation bill as sent to us by the House there is no attempt to change the law as it was amended in 1935, and as the law was prescribed in the appropriation bill for the fiscal year 1944. But that is another matter.

Mr. President, the Tennessee Valley Authority is a great public utility. The fact that it is a corporation created by Congress does not take away from it its character as a utility. It is furnishing power to a vast number of people within the radius of its ability. It is furnishing power to war plants which are now manufacturing essential materials for the winning of the war. It has purchased and now owns the properties of other utilities existing in the same territory, including the Commonwealth & Southern Co., for whose property it paid, as I recall, in the neighborhood of seventy-eight million and some hundreds of thousands of dollars. So that it is a utility, it has all the characteristics of a utility, and as such it must adopt the methods of a utility in its operations. That means that from day to day, it may be every day in the year, every week in the year, and every month in the year, the Tennessee Valley utility is required to be ready at any call, on any occasion, to do things within its power in order to maintain its operations as any other utility would do. That means it must send men out over its entire stretches to repair lines, or to build lines, or to do other things necessary in order to create the power which it is to distribute among its customers.

Mr. President, it has been given some flexibility, some leeway, under the law as first enacted and as amended in 1935, and in every appropriation bill that has been passed since then. It has been given the flexibility of being able, in the discretion of its board, to do the things necessary in order to create and distribute power, and at the end of the year, after deducting all its operating expenses from its entire revenues, it is required to turn the balance back into the Treasury of the United States. In 1935 Congress itself created the special Tennessee Valley Authority fund, so that even at the end of the year instead of turning the net balance back into the general fund of the Treasury, Congress itself authorized the creation and the earmarking of the Tennessee Valley Authority fund, and its moneys have gone into that fund, and they have been operated in that fund from that time until now.

Mr. WILEY. Where is the fund kept?

Mr. BARKLEY. It is kept in the Treasury of the United States, just as the social-security fund is kept in the Treasury, earmarked for that purpose, the difference being, of course, that the law requires the Treasury Department to borrow the funds created by the social-security payments, but the Tennessee Valley funds are earmarked as a separate fund for the use of the Tennessee Valley Authority. That has been its practice and that has been its method of doing business.

In providing this flexibility, this leeway, Congress has not been negligent in protecting the public interest. The Tennessee Valley Authority is not only audited by a private auditing concern, the Tennessee Valley Authority is audited by the General Accounting Office of the United States Government, an agency set up as a representative of Congress to go over, item by item, all its receipts and all its expenditures, and every year the books of the Tennessee Valley Authority have been audited, and they are now being audited by the General Accounting Office. So that the General Accounting Office, a representative of Congress, with expert bookkeepers and accountants and auditors, determines by audit the amount of net balance that is left at the end of each year to be turned back into the fund created by Congress as the Tennessee Valley Authority fund.

There has never been any complaint that there has been any misappropriation of funds available for the Tennessee Valley Authority, there has never been any complaint that anyone stole any money from them. Some 3 or 4 years ago Congress authorized an investigation of the Tennessee Valley Authority, and former Senator Donahey of Ohio was appointed chairman of the joint committee. The committee spent months investigating the affairs of the Tennessee Valley Authority, and it made a comprehensive and exhaustive report to the Congress of the United States, in which, to use the vernacular, the committee gave it a clean bill of health.

Mr. HILL. Mr. President, will my colleague yield?

Mr. BARKLEY. I yield.

[PUBLIC LAW 273—78TH CONGRESS]

[CHAPTER 146—2D SESSION]

[S. 250]

AN ACT

To promote sustained-yield forest management in order thereby (a) to stabilize communities, forest industries, employment, and taxable forest wealth; (b) to assure a continuous and ample supply of forest products; and (c) to secure the benefits of forests in regulation of water supply and stream flow, prevention of soil erosion, amelioration of climate, and preservation of wildlife.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to promote the stability of forest industries, of employment, of communities, and of taxable forest wealth, through continuous supplies of timber; in order to provide for a continuous and ample supply of forest products; and in order to secure the benefits of forests in maintenance of water supply, regulation of stream flow, prevention of soil erosion, amelioration of climate, and preservation of wildlife, the Secretary of Agriculture and the Secretary of the Interior are severally authorized to establish by formal declaration, when in their respective judgments such action would be in the public interest, cooperative sustained-yield units which shall consist of federally owned or administered forest land under the jurisdiction of the Secretary establishing the unit and, in addition thereto, land which reasonably may be expected to be made the subject of one or more of the cooperative agreements with private landowners authorized by section 2 of this Act.

SEC. 2. The Secretary of Agriculture, with respect to forest land under his jurisdiction, and the Secretary of the Interior, with respect to forest land under his jurisdiction, are severally authorized, for the purposes specified in section 1 of this Act, to enter into cooperative agreements with private owners of forest land within a cooperative sustained-yield unit, established pursuant to section 1 of this Act, providing for the coordinated management of such private forest land and of federally owned or administered forest lands within the sustained-yield unit involved.

Each cooperative agreement may give the cooperating private landowner the privilege of purchasing without competitive bidding at prices not less than their appraised value, subject to periodic readjustments of stumpage rates and to such other conditions and requirements as the Secretary may prescribe, timber and other forest products from federally owned or administered forest land within the unit, in accordance with the provisions of sustained-yield management plans formulated or approved by the Secretary for the unit; shall limit the time, rate, and method of cutting or otherwise harvesting timber and other forest products from the land of the cooperating private landowner, due consideration being given to the character and condition of the timber, to the relation of the proposed cutting to the sustained-yield plan for the unit, and to the productive capacity of the land; shall prescribe the terms and conditions, but not the price, upon which the

cooperating private landowner may sell to any person timber and other forest products from his land, compliance by the purchaser with such conditions to be required by the contract of sale; shall contain such provisions as the Secretary deems necessary to protect the reasonable interest of other owners of forest land within the unit; and shall contain such other provisions as the Secretary believes necessary to carry out the purposes of this Act.

Each cooperative agreement shall be placed on record in the county or counties in which the lands of the cooperating private landowner covered thereby are located, and the costs incident to such recordation may be paid out of any funds available for the protection or management of federally owned or administered forest land within the unit. When thus recorded, the agreement shall be binding upon the heirs, successors, and assigns of the owner of such land, and upon purchasers of timber or other forest products from such land, throughout the life of such cooperative agreement.

✓ SEC. 3. The Secretary of Agriculture and the Secretary of the Interior are further severally authorized, whenever in their respective judgments the maintenance of a stable community or communities is primarily dependent upon the sale of timber or other forest products from federally owned or administered forest land and such maintenance cannot effectively be secured by following the usual procedure in selling such timber or other forest products, to establish by formal declaration for the purpose of maintaining the stability of such community or communities a sustained-yield unit consisting of forest land under the jurisdiction of the Secretary establishing such unit, to determine and define the boundaries of the community or communities for whose benefit such unit is created, and to sell, subject to such conditions and requirements as the Secretary believes necessary, federally owned or administered timber and other forest products from such unit without competitive bidding at prices not less than their appraised values, to responsible purchasers within such community or communities.

SEC. 4. Each of the said Secretaries is further authorized in his discretion to enter into cooperative agreements with the other Secretary, or with any Federal agency having jurisdiction over federally owned or administered forest land, or with any State or local agency having jurisdiction over publicly owned or administered forest land, providing for the inclusion of such land in any coordinated plan of management otherwise authorized by the provisions of this Act when by such a cooperative agreement he may be aided in accomplishing the purposes of this Act; but no federally or publicly owned or administered forest land not under the jurisdiction of the Secretary establishing the sustained-yield unit concerned shall be included in any such plan except in pursuance of a cooperative agreement made under this section.

SEC. 5. Before any sustained-yield unit authorized by section 1 or section 3 of this Act shall be established, and before any cooperative agreement authorized by section 2 or section 4 of this Act shall be entered into, advance notice thereof shall be given by registered mail to each landowner whose land is proposed to be included and by publication in one or more newspapers of general circulation in the vicinity of the place where the timber is located, and the costs incident to such publication may be paid out of any funds available for the

protection or management of the federally owned or administered forest land involved. This notice shall state: (1) the location of the proposed unit; (2) the name of each proposed cooperator; (3) the duration of the proposed cooperative agreement or agreements; (4) the location and estimated quantity of timber on the land of each proposed cooperator and on the Federal land involved; (5) the expected rate of cutting of such timber; and (6) the time and place of a public hearing to be held not less than thirty days after the first publication of said notice for the presentation of the advantages and disadvantages of the proposed action to the community or communities affected.

Before any sale agreement made without competition and involving more than \$500 in stumpage value of federally owned or administered timber shall be entered into under this Act, advance notice thereof shall be given by publication once weekly for four consecutive weeks in one or more newspapers of general circulation in the vicinity of the place where the timber is located, and the costs incident to such publication may be paid out of any funds available for the protection or management of federally owned or administered forest land within the unit concerned. This notice shall state: (1) the quantity and appraised value of the timber; (2) the time and place of a public hearing to be held not less than thirty days after the first publication of said notice if requested by the State or county where the timber is located or by any other person deemed to have a reasonable interest in the proposed sale or in its terms; and (3) the place where any request for a public hearing shall be made. Such requests need be considered only if received at the place designated in the notice not later than fifteen days after the first publication of such notice. If a request for a hearing is received within the time designated, notice of the holding of the hearing shall be given not less than ten days before the time set for such hearing, in the same manner as provided for the original notice.

The determination made by the Secretary having jurisdiction upon the proposals considered at any such hearing, which determination may include the modification of the terms of such proposals, together with the minutes or other record of the hearing, shall be available for public inspection during the life of any coordinated plan of management or agreement entered into in consequence of such determination.

SEC. 6. In addition to any other remedy available under existing law, upon failure of any private owner of forest land which is subject to a cooperative agreement entered into pursuant to this Act to comply with the terms of such agreement, or upon failure of any purchaser of timber or other forest products from such land to comply with the terms and conditions required by such agreement to be included in the contract of sale, the Attorney General, at the request of the Secretary concerned, is authorized to institute against such owner or such purchaser a proceeding in equity in the proper district court of the United States, to require compliance with the terms and conditions of said cooperative agreement; and jurisdiction is hereby conferred upon said district courts to hear and determine such proceedings, to order compliance with the terms and conditions of cooperative agreements entered into pursuant to this Act, and to make such temporary and final orders as shall be deemed just in the premises. As used in this section the term "owner" shall include the heirs, successors, and assigns of the landowner entering into the cooperative agreements.

SEC. 7. Whenever used in this Act, the term "federally owned or administered forest land" shall be construed to mean forest land in which, or in the natural resources of which, the United States has a legal or equitable interest of any character sufficient to entitle the United States to control the management or disposition of the timber or other forest products thereon, except land heretofore or hereafter reserved or withdrawn for purposes which are inconsistent with the exercise of the authority conferred by this Act; and shall include trust or restricted Indian land, whether tribal or allotted, except that such land shall not be included without the consent of the Indians concerned.

SEC. 8. The Secretary of Agriculture and the Secretary of the Interior may severally prescribe such rules and regulations as may be appropriate to carry out the purposes of this Act. Each Secretary may delegate any of his powers and duties under this Act to other officers or employees of his Department.

SEC. 9. Nothing contained in this Act shall be construed to abrogate or curtail any authority conferred upon the Secretary of Agriculture or the Secretary of the Interior by any Act relating to management of federally owned or administered forest lands, and nothing contained in any such Acts shall be construed to limit or restrict any authority conferred upon the Secretary of Agriculture or the Secretary of the Interior by this Act.

SEC. 10. Funds available for the protection or management of Federally owned or administered forest land within the unit concerned may also be expended in carrying out the purposes of this Act, and there are hereby authorized to be appropriated such additional sums for the purposes of this Act as the Congress may from time to time deem necessary, but such additional sums shall not exceed \$150,000 for the Department of Agriculture and \$50,000 for the Department of the Interior, for any fiscal year.

Approved March 29, 1944.